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NEWS FROM CUBA further confirms the contention previously expressed by *The Nation* that the State Department errs seriously in withdrawing Sumner Welles at the very moment when the real task for an American ambassador at Havana begins. Revolt has broken out in the Cuban army. Among the discordant elements are a part of the rank and file who, urged on by student groups, resent the continuation in high command of Machado appointees. But the entire army, maintained by loans from the Chase National Bank, was Machado's instrument for the self-perpetuation of his power, and remains a sinister legacy of the regime for which the United States was so largely responsible. As so often in Latin American countries, the Cuban army has served not as an implement of national defense against a potential foreign foe but as the implement of dictatorial oppression. It is almost inevitable that following the fall of this dictatorship the Cuban army will either become the subservient tool of some similarly noxious force or act as a Pretorian Guard, an anti-social, indigestible body motivated only by the patriotism of its pocket. This is only one of the many aspects of the Cuban tangle which require the utmost tact and wisdom in the policy of cooperation to which the United States is committed while the Platt Amendment endures. Sugar is another problem. With the sugar industry now chiefly controlled by American banks—banks whose leadership has been thoroughly discredited at home, whose interests are antagonistic to those both of the Cuban and the American people—it is disturbing to picture American policy conducted by Jefferson Caffery. Mr. Caffery's ready services to American oil and banking interests in Colombia under the Hoover Administration disqualify him for his new task. But his appointment apparently was sponsored by Mr. Welles, who believes that he can direct Cuban policy from Washington. The task, however, calls for a first-rate man on the job all the time. Mr. Welles should stay in Cuba and see through what he has begun.

ATROCITY STORIES would be superfluous. Nazi Germany itself, publicly and proudly, proclaims ideals and intentions and acts which must create more resentment and foreboding in other lands than any tales of terror that refugees have brought out. At Nürnberg, before great congregations of district leaders and troops and youth organizations gathered in a nation-wide Nazi demonstration, the chiefs of Hitler's Third Reich—Hitler himself, Rosenberg, Goebbels, and others—defended their performances and glorified the crude policies of repression which, when others have described them, they have repudiated as slander. The Jewish policy was justified on grounds of national needs. Not only is it necessary to eliminate from Germany the dominant Jewish influence—which is decadent where the Nordic genius is creative and constructive—but all other nations will be forced to adopt tactics of a similar nature. Germany's foreign policy was discussed in vague terms; but the parade of 150,000 equipped and trained men was more eloquent than any words. Hitler solemnly insisted that Germany has no wish to win further laurels on the battlefield because no war could bring greater honor than it had won in the World War; but this mystical victory has not yet sufficed to enlarge German territory to the east or restore lost provinces. For the achievement of these proclaimed aims Hitler must, it would seem, depend upon the legions which made so brave a showing in the park at Nürnberg.

THE EFFECT OF ALL THIS, and of Germany's provocative tactics along its borders and especially in Austria, has been to increase tension all over Europe. The Allied Powers promptly granted Austria's request that it be permitted to raise a special corps of 8,000 men for duty against "terrorist elements." Russia has signed a non-aggression pact with Italy, and has received a special visit from Herriot. Most sensational and significant of all, Stalin has issued an invitation to his old enemy, Marshal Pilsudski, to come to Moscow as the guest of the Soviet Government at the Red Army celebration on the anniversary of the Bolshevik Revolution in November. No stranger bedfellows than these two have been made by the Nazi menace. It is considered possible that a military agreement may be signed by Poland and Russia to reinforce the non-aggression pact arrived at in London. The British government is much concerned over

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the German threat to Austria; and the creation of a new British consulate at Innsbruck has been interpreted by the press as a sign that a Nazi coup in the Tyrol is considered possible. Meanwhile Premier Daladier has been engaged in inspecting a vast chain of underground fortifications stretching for 100 kilometers along the German frontier—a veritable underground city with roads and railways and dwellings, and tremendous machines of destruction designed to end in that sector the danger of invasion from the east. And the Belgian government has announced that it will float a loan of 1,500,000,000 francs to be used in rushing its border-fortification program through ahead of time.

FURTHER LIGHT on the London wheat agreement must compel some modification of the editorial view we expressed last week based on the official text then printed. The importing nations have apparently agreed to reduce their tariffs not merely in general but in specific terms. They agree to reduce their tariffs by a cent a bushel for every cent that wheat rises above a price of 63 cents a bushel in gold. In other words, if wheat at Liverpool were to rise to a price equivalent to $1 in gold, the Italian tariff, which is now $1.07 a bushel, would be reduced by the difference between $1 and 63 cents, or 37 cents a bushel. If some such reduction were not provided for, then it is obvious that every future rise in the world price of exportable wheat would permit a potential rise in the domestic wheat of the importing countries by the same amount. If world wheat rose to $1 a bushel, then Italian wheat, protected by a tariff of $1.07 a bushel, might rise, if sufficiently restricted in supply, to $2.07 a bushel before the world price of exportable wheat would prevent it from going further. This would tend to lead to a still further overexpansion of wheat acreage in the importing countries. It is obvious that this particular agreement will do nothing to improve present conditions. It will, however, have an important effect in preventing a still further overproduction of wheat in the event of a price advance, and is so far valuable. Secretary Wallace has already announced that the American wheat acreage will be reduced by 15 per cent.

THE ADMINISTRATION should think twice before going ahead with the present proposal to make direct loans to industry. This would be a return with a vengeance to the principles of Hooverism. It is better to assume on the whole that the banks are anxious to employ their funds wherever they feel that they can do so with safety. For the government to make loans to industry would be for it to risk the taxpayers' money in business firms in which bankers or private persons refuse to risk theirs. If it were true that the NRA had raised costs of production to such a point that many firms could no longer make the profit that they would otherwise be able to, and were hence being refused credit by the banks, it would be much better for the NRA officials to reconsider their first policy than to go on with it and try to finance it by pouring more government money into private industry. It is not likely that many sound banks would take advantage, either, of the proposal to borrow more money from the Reconstruction Finance Corporation to lend to industry. Loans from the R. F. C. at present cost the borrowing banks 4½ per cent. Prime commercial paper, on the other hand, is selling at a discount of only 1¾ per cent. To borrow money at more than 4 per cent to lend at less than 2 per cent is not sound banking. Finally, it must be pointed out that some of the Administration officials have fallen into the same fallacy that Mr. Hoover fell into: they assume that a revival has to be started with a credit expansion. The sequence is the other way round: a revival in business is followed by a credit expansion, for when prices are higher and a greater volume of production is called for, manufacturers and merchants need to borrow more money, and when the banks see that these stand to make a profit, they are willing to lend more money.

SELDOM has there come to our attention a judicial action more unsound and out of keeping with the times than that of Justice Selah B. Strong of the Supreme Court of New York in denying the right of picketing to Locals 505 and 509 of the Confectionery Workers' International Union. Not only does Justice Strong's law seem to be out of line with numerous decisions in State and federal courts upholding the right of picketing, but the circumstances under which he granted the injunction add to its unreasonableness. Picketing had been authorized by the unions against certain bakeries in the New York metropolitan district in furtherance of a strike to prevent reductions in wages. The case first came before Justice Strong in Brooklyn on August 1, at which time Matthew M. Levy, counsel for the unions, asked for an adjournment on the ground that he had received only the day before the brief of the employers. Justice Strong refused an adjournment and later granted the sought-for injunction on affidavits submitted by the employers, without hearing witnesses or argument by counsel. In his order Justice Strong said:

> The mere walking back and forth on a sidewalk with placards is sufficient to annoy the public and create a public nuisance. Picketing frequently leads to malicious mischief, and sometimes it leads to disorderly conduct and violence. . . . There can be no question that the defendants have been guilty of all three charges of malicious mischief, disorderly conduct, and violence and that the so-called peaceful picketing could not be.

IT IS UNCERTAIN from the language whether Justice Strong maintains that there never can be peaceful picketing or that there cannot be such in the strike in question, but it does not matter much. In either case the duty of the courts is to prevent violence, not to interfere with a fundamental and recognized right of organized labor. If Justice Strong regards two pickets with small placards as a nuisance, then his only hope of making the sidewalks free from annoyance is to prohibit the public from using them. Justice Strong's injunction was not concerned with the National Recovery Administration, but it comes right after the absurd attempt of Grover Whalen, in charge of the drive of that organization in New York City, to prevent the picketing of NRA shops. In that connection the International Juridical Association has issued a statement pointing out that the recovery act exempts from prosecution under the Sherman act (not the Clayton act) combinations which under the anti-trust laws might have been illegal. It does not take away any rights granted by those laws. Previous to 1921 mass picketing had been permitted in a number of cases. Since then it has been common to follow the rule

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laid down in that year by the United States Supreme Court in the case of the American Steel Foundries, limiting pickets to two or three at each entrance. Picketing is so essential to organized labor that the fight in its behalf must be carried to the highest courts and maintained, if necessary, by a general strike.

ONE-FIFTH of the country's population may be affected by conferences in New York seeking to regulate the milk industry for unspecified areas of New York, New Jersey, Pennsylvania, Connecticut, and Vermont. Under the regulation established by New York State a few months ago the price to the consumer has risen, and the poorer families have come to realize that government control may mean for them not only greater expenditure but even less milk or milk of a lower grade than they have been accustomed to buy. Decreased milk consumption and consumption of lower-quality milk raise important questions of health, present and future. They also affect the earnings of the producer and tend to offset the benefit he expected from laws avowedly enacted to help him out of the depression. The conferences are therefore of great moment, particularly if they lead to any measure of federal control. The federal milk administrator, Dr. Clyde King, was present at the outset of these discussions but absent in the later stages. However, the pronouncements from the conferences indicate that the national government will have a hand in establishing or enforcing agreements to be made by the conferees. If this is to be the case, it behooves the Washington officials to avoid mistakes which helped to embarrass the activities of the recently created State boards of milk control. The Secretary of Agriculture ought to announce publicly who asked for federal intervention and the reasons which induced Dr. King to step in.

THE SUSPICION that men purporting to represent producers or impartial interests have enjoyed affiliations with the big interstate distributing companies has not been wholly without justification. In the case of each man claiming to speak for groups other than the distributors, it is important to know whether he has been an officer or director of distributing companies, whether he owns stock of such companies, and whether he has been enjoying favors at their hands. The grading and classification of a producer's milk can be employed by distributors, and have been employed by some of them, to recompense or win amenable "representatives" of the body of producers. Another protection which the federal government can provide, if it has or expects to have anything to do with the proposed five-State agreement, is to require that all sessions and discussions of the eighteen representatives attending the meetings in New York shall be thrown open to the public. In addition to open sessions, there must be open hearings, conducted on the spot, where the farmers' and consumers' organizations can take part. Our new administrators in Washington should make their work privilege-proof and suspicion-proof.

FERVID PATRIOTS and rabid Marxians have one theory in common, namely, that the times produce the man. In the first case a higher power and in the second the power of the masses always projects into the scene "the man of the hour." We had been as skeptical of this theory as we are of the "nosebleed theory" of history, which, if we remember correctly, maintains that William the Conqueror would not have landed in England on that historic day in 1066 if Harold had not been unavoidably detained by a protracted case of nosebleed. But we are deeply shaken by the black eye of Huey Long. It has been established since the incident at the Sands Point Bath Club that at least half the population of this country has longed to sock the Kingfish in the eye. On the night of August 26 the number apparently had reached a great popular majority, for in a hitherto obscure washroom on Long Island a "man of the hour" who is appropriately nameless squared off, and with the pent-up desire of the American people in his fist, knocked Huey so far out of the political arena that he will probably never find his way back. Since then, with almost indecent haste, steps have been taken to make it final. Owen P. White, who proposed that a medal be struck off in honor of the Sands Point battle, reports that already more than enough funds have been received for that purpose and announces that the surplus will be turned over to the Women's Committee of Louisiana, which has for its object the elimination of Huey Long from the United States Senate. Huey himself, after a brief and profane sojourn in Milwaukee, went back to Louisiana sans patronage, sans prestige, sans everything. There are those, like Heywood Broun, to regret the loss of one who for all his sideshow manners was a bit to the left on public questions. But we can think of more persuasive proponents of radical ideas than a demagogue in green pajamas, with an unsurpassed record for crude graft and a propensity for treating washroom companions as if they were second lieutenants.

THE LATEST politician to emit an impassioned defense of the American home is Mayor Moore of Philadelphia. This time the home is menaced not by reds or bomb throwers but, if you please, by nudists, 250 in number, who applied openly for police permission to use a gymnasium and to swim without either bathing suits or interference. The roar which Mayor Moore let out is worth recording. The nudists, he says, "would not command respect in darkest Africa or amongst the aboriginal wild men of America." They would "turn back the hands of time 6,000 years and not even use a fig leaf. They cannot practice this belief in this great city of American homes." Philadelphia, it will be remembered, is also the city in which for generations the politicians have been linked with crime and the underworld for the degradation and prostitution of a large number of its men, women, and children, whose slums are among the worst in the country. But it must now be defended from the wickedness of a group of "doctors, lawyers, architects, engineers, and social registerites" who have decided to be unconventional and to adopt the conventionality of Japan and Russia, to say nothing of the numerous nudist organizations in America, England, France, and, until recently, in Germany. Well, Philadelphia is safe for the present. But will somebody please remind Mayor Moore of the once bitter outcry against the one-piece bathing suit and of the fact that the first woman to ride horseback astride in New York was fined $25 for indecent exposure of her limbs. If he should, by any chance, want the truth he would find out that the overwhelming testimony is that nudism does not make for immorality, but precisely the reverse. But what are facts to a politician defending the American home?

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The Future of the Dollar

THE President's executive order, permitting the producers of newly mined gold to sell their metal at the world market price, and compelling American commercial buyers of the metal hereafter to pay this same world market price, will do much to relieve an anomalous situation. Since the United States officially abandoned the gold standard in April, the paper dollar has suffered a decided depreciation. Largely in reflection of this, the price of all the "international" commodities—wheat, cotton, sugar, hides, petroleum, wool, silk, rubber, coffee, copper, silver—rose violently in terms of paper dollars, and many domestic commodities rose in sympathy with them. Only one international commodity failed to rise—gold. There was no open market for it in this country, and none was permitted; it was not allowed to be exported, and it could be sold only to the government at the fixed statutory price of $20.67 an ounce, though the open-market price in London had risen to the equivalent of $29.50 an ounce.

Naturally American producers began to complain. They alleged that as a result of the depreciation of the paper dollar and the NRA program their costs of production were either increasing or threatening to increase, and that as consumers their cost of living was either rising or threatening to rise, while they were the only producers prohibited from getting the higher market price for their product. They held that dentists and jewelers and other commercial users, on the contrary, were getting their gold at an arbitrarily cheap figure. Moreover, bootlegging was beginning to develop and new gold was being shipped out of the country for the higher foreign price. What the President's new order now does, in effect, is to permit American producers to sell newly mined or refined gold at this world-market price, and to compel commercial buyers to pay it. The order does not permit the establishment of an open market. It accepts the prices established by the market in London. The Treasury Department is to act as the agent between buyer and seller. The seller must prove that his gold is newly mined, not old hoarded gold. The buyer must prove that he wants the gold for "legitimate," normal commercial needs.

It is obvious that this arrangement is a compromise, and it is still to be seen whether it will work satisfactorily. A completely free gold market would certainly seem to offer several important advantages. To accept the London open-market price for our gold, without permitting our own supply of, and commercial demand for, the metal to affect that price, is almost as dubious a procedure as it would be to forbid an open market in wheat and to order all American wheat to be bought and sold at home at the price daily established in the Liverpool market. In view of the fact, moreover, that the amount of gold remaining in the hands of hoarders is estimated at several hundred millions of dollars, it is difficult, when we consider that the current annual new production from American mines amounts to only about $50,000,000 a year, to see how extensive bootlegging operations are to be prevented. For the hoarders who are anxious to be rid of their gold—which, in the language of the underworld, has become "hot"—will be willing to accept less than the market price, and commercial users who would otherwise have to pay a premium of approximately 45 per cent over the former statutory price of gold will be tempted to buy gold offered for less than the new market price.

Finally, there would be a certain advantage from the standpoint of intellectual clear-headedness if a genuine open market were established. Most persons are still, for example, measuring the rise and fall of the international value of the paper dollar not directly against gold, as they should, but against the British pound. This leads to a good deal of mental confusion. The dollar is said to be falling when the pound goes up in dollar terms, or rising when the pound goes down in dollar terms; but as the pound is also merely a fluttering piece of paper, it does not take an Einstein to recognize that we cannot tell from the two quotations whether it is, in a given case, the dollar that is falling or the pound that is rising, or whether both are rising or both falling, with one moving faster than the other.

It is obvious that the new executive order, therefore, is a compromise, and that it is partly lack of an understanding of the situation and partly a desire for face-saving that prevented the establishment of a free gold market. For when the United States abandoned the gold basis, the Administration made dire threats against gold hoarders that have no parallel, historically, since the French Revolution. By its constant renewal of threats without action the Administration has presented a ludicrous spectacle. On April 5 President Roosevelt issued an executive order demanding that all holders of gold coin, gold bullion, or gold certificates should turn them in before May 1 under penalty of a $10,000 fine and ten years in jail. On April 20 another executive order was issued to the same general effect. On April 25 Secretary Woodin issued a final warning. The order was flouted by many known gold hoarders, and it was said that a test case would immediately be rushed to the courts. Former Senator Thomas's offer on May 3 for the government to "come and get him" for hoarding was ignored. On June 5 the Treasury submitted to the Department of Justice a list containing the names of more than 1,000 persons suspected of hoarding gold, and it was held that about $600,000,000 in gold and gold certificates was still outstanding. On June 6 a "drive on the hoarders" was announced, but some of them defied the government. On June 26 Attorney-General Cummings announced an extension of time, but threatened to publish the names of the hoarders. On August 12 the Attorney-General was going to announce that week whether gold hoarders would be prosecuted. Finally, the President's latest executive order permitting the sale of newly mined gold at the market price also makes hoarding a crime subject to $10,000 fine and ten years in jail.

No doubt the government has failed to carry out its threats because it doubts that it has any constitutional right to impose these penalties. It might also be well for it to ask itself whether it thinks many juries would send a man to ten years in jail simply because, as the London *Times* has put it, "he had sufficient foresight to realize that the gold dollar is more valuable than the paper dollar," or merely

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because he took advantage of the convertibility offer that the government had been making on its bills for years. Perhaps the government does not like to see speculators profiting from our action in abandoning the gold standard. It will then have to explain why it is discriminating against the gold speculators and neglecting the commodity and stock speculators, nearly all of whom have made a greater percentage of profit than the gold hoarder stands to make even if a free gold market is allowed.

The truth is that the government's attitude toward the gold hoarder is neither wise in the long run nor necessary. Such penalties were not found necessary in England, which immediately established an open gold market. Even in England, France, and Germany in war time, when the drive for gold was imperative, no such penalties were imposed or threatened: a mere patriotic appeal was deemed sufficient. Finally, the government has no real need for the gold; the amount of gold in the Federal Reserve System is now the largest in the system's history, far exceeding that in 1929, and it is not now, as then, subject to withdrawal by anybody on demand. What the government is doing, in effect, is to threaten to put a man in jail for ten years for refusing to sell it gold it does not need at a price 30 per cent below the market value.

The best way for the government to get itself out of the untenable position in which it has put itself is to prepare to devaluate the dollar and return to gold convertibility at the earliest opportunity. It can hardly be argued that a depreciated dollar will help our export trade. In the last months of the Hoover Administration, when we were terribly worried because of the "dumping" of goods here from countries with depreciated currencies, and were considering special tariffs or embargoes for protection, Robert L. O'Brien, chairman of the United States Tariff Commission, remarked succinctly that whatever export advantages a depreciated currency gave that were not illusory were temporary, and whatever advantages were not temporary were illusory. This applies to our own depreciation. So long as it continues, however, other nations will fear us; and there is nothing to prevent them from putting up further embargoes or so-called "compensating" tariffs. Such embargoes and such "compensating" tariffs always overcompensate; and the probable result is that while the dollar remains depreciated, our export trade will be injured rather than helped.

It is frequently said in Washington that the dollar will not be devaluated until "we see where it is going to settle," or until "we get the price level we want." But a dollar divorced from gold has no intrinsic value; it will settle at the point where speculators think it is going to be devaluated. Its mere depreciation, however, cannot bring the rise in prices that devaluation at the same level would; for a fluctuating depreciated paper currency puts an element of uncertainty in the way of every business transaction. A return to gold, on the other hand, would not only in itself create certainty and confidence, but the mere announcement by the United States and Great Britain, if they could be brought to act together, that they were both returning to the gold standard at a devaluated level for their currencies at some definite date in the future, would in itself show that these governments had sufficient confidence to take firm action; and that demonstration of confidence would generate confidence in private business everywhere.

Austria's Sad Plight

ON August 9 the Italian government informed the British and French ambassadors in Rome of Germany's promise to put an end to all radio and airplane propaganda against Austria. On August 13 the German Reichstag deputy, Habicht, appointed by Hitler as Nazi propaganda chief for Austria, delivered an attack on the Dollfuss government from the state radio station at Munich, which penetrates far into Austrian territory; his speech was printed in hundreds of thousands of copies and scattered over Austria from airplanes. On August 20 he delivered a second attack. This shameless betrayal of a promise he had accepted and passed on in good faith prompted Mussolini to send an immediate invitation to Chancellor Dollfuss. The two prime ministers met in Riccione, where an agreement between Italy and Austria was concluded on the basis of an offer by the Italian dictator to open a part of the port of Trieste to Austria's foreign trade. Austria gratefully accepted the proposal, and will henceforth direct its exports—which, lacking harbors of its own, it had heretofore sent by way of Hamburg—through Italian channels. And since it will not be in a position to build its own mercantile fleet for years to come, Italy's shipping industry will gain what Germany's has lost by this transaction. Moreover, both nations agreed to grant to each other sweeping tariff reductions that will cut sharply into British, French, and German exports to the Danube state. Not quite three days after the publication of the Riccione agreement Premier Daladier announced, during a demonstrative inspection of the new fortifications on the Franco-German border, that France would under no circumstances tolerate an attack on the autonomy and sovereignty of the Austrian Republic.

But there is more than meets the eye behind this apparent accord between the two nations most vitally interested in the fate of Eastern Europe. Far from patching up old differences, Austria's desperate plight has spurred them on to a new race for commercial and territorial advantage, for control over Austria will ultimately extend to Hungary and to the other smaller Danubian states. Always a bone of contention between Italy and France, this issue has overshadowed all others since Hitler's coming to power made Germany a menacing third in the race. The success of his Anschluss plans would mean the extension of Germany's domination over the other Central European and Balkan states into the spheres of influence claimed by France and Italy.

The positive programs of Paris and Rome in relation to Austria are dictated by sharply conflicting economic and political interests. France is determined to prevent a union between Germany and Austria. It wishes to bring both Austria and Hungary under its direct control. Paul-Boncour, the French Minister of Foreign Affairs, recently declared that "healthy cooperation with France" could be most effectively accomplished through a Danubian federation that would include Austria, Hungary, and the nations of the Little Entente. Italy likewise favors a restoration of Austro-Hungarian relations, as the frequent visits of the Hungarian Premier, Gömbös, to Rome and Vienna clearly show, but preferably as a monarchy under a Hapsburg prince.

Today the states of Europe, in their fear of the war-

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fomenting Hitler regime, are being forced into a united front that at the time overshadows the antagonistic interests of France, Italy, and the states of the Little Entente. But this conflict is not dead. The contest between Italy and France for hegemony over the small states of Europe will have to be fought to a finish, just as the states of the Little Entente—Czecho-Slovakia, Jugoslavia, and Rumania—for their own national self-preservation will have to oppose to the utmost the revisionist movements of Germany, Austria, Bulgaria, and Greece. So long as Germany's fight for control of Austria remains undecided, the united front among the other states of Europe will remain unbroken. But this harmony is likely to be short-lived. The days of the present Austrian government are counted. Before long Chancellor Dollfuss and his Christian Social Party will doubtless have to retire before the National Socialist movement, which, financed, directed, and controlled by Germany and supported by a despairing population, is growing to invincible proportions. Last week the *Reichspost,* the Dollfuss organ, was forced to admit that the Austrian Fascists control most important parts of the postal system of the country, that they open letters and telegrams, listen in on telephone conversations, and exercise a rigid censorship.

A government that has permitted the National Socialist foe to gain and hold such strongholds in its own body politic cannot long endure. The Nazi menace has grown beyond the strength of 8,000 military border guards, beyond the power of reassuring words from foreign statesmen, to control.

More Speed by Rail

IT is probable that the next important advance in rapid transit in this country will be by rail. This prediction may be surprising to a generation preoccupied with the automobile and latterly with the airplane to such an extent that many persons have come to regard the railroad as an obsolete form of transportation probably doomed to eventual extinction. But this is too hasty a conclusion. The railroad is menaced—and already has been greatly injured—both by the automobile and the airplane, but the menace by no means covers the entire field and it has been exaggerated by a public unduly influenced by the spectacular. Although the railroads are much handicapped at the moment by their bad financial condition, experiments are nevertheless coming to a head which indicate a restoration of their prestige through the development of short, streamline trains, drawn on pneumatic tires by oil- or gasoline-electric engines at nearly twice the speed now attainable.

It was the automobile, of course, which gave the railroads their first and most terrific body blow. Indeed, the arrival of the automobile at the beginning of this century, although it increased incredibly the scope of private transportation, set back public transit for at least twenty years. At the outset of the century an extensive system of suburban and rural electric trolley lines was developing, and promised to spread all over the country. The automobile killed this in a decade without supplying—so far as public transit went—anything in its place. It was not until the coming of hard-surfaced roads after the World War that the motor bus began to furnish public transportation in an important way. Motor buses, which numbered 10,000 in 1920, have now increased to more than 100,000. The railroads need not have been as much injured as they were by the automobile, but coincident with its arrival they were falling into the inefficient hands of the bankers, and they met the new competition first with ill-advised contempt and later with disastrous inertia. They continued to operate long, heavy, expensive trains, and their only answer to the inroads on their traffic by the automobile was to discontinue services and abandon trackage. They ceased efforts toward greater speed, and in fact a number of fast trains were either withdrawn or put on a slower schedule. The consequences were appalling. Although the railroads still handle the vast bulk of the country's freight, their passenger revenues have declined by 70 per cent since 1920.

Yet the situation of the railroads is far from hopeless. There are, in fact, distinct portents in their favor at this time. The railroad continues to be incomparably the fastest and cheapest means of moving bulk freight, and although it has lost considerable short-haul, small-merchandise business to motor trucks, it is in a way to regain part of this by organizing its own collection and delivery service. Its passenger losses are more serious. The motor bus is carrying passengers more cheaply and the airplane more rapidly than it does. It can never hope to equal the airplane in speed, but the latter is, and for the near future promises to be, considerably more expensive. Until the airplane can rise and descend vertically, it is physically incapable of handling a great volume of traffic, because too much space is required for the manipulation of a single machine. For those who can afford it, the airplane will snatch an increasing number of long-distance passengers from the railroads, but it is doubtful if it can save much time on stretches of less than 500 miles. Between New York and Washington, for instance, a railroad train takes five hours as compared with two hours in an airplane, but another couple of hours must be added for getting to and from the airports, so that the total saving in time is not considerable.

To date the motor bus has been a much more formidable competitor for railroad passenger business than the air plane. It travels on a roadbed laid by the public and can haul travelers at about half the cost of that in the present heavy railroad train. At the same time the motor bus probably has reached the limit of speed under existing conditions, and increasing congestion of traffic may even retard it. The railroad has an immense advantage from the standpoint of speed in owning its highways, and it is claimed in behalf of the new three-car, streamline, motor-propelled trains with which the Union Pacific is experimenting that they can be operated not only twice as fast as a motor bus but slightly more cheaply.

Europe beat us with the first new-style, high-speed train—from Berlin to Hamburg—which travels ninety miles an hour. But a somewhat similar train was recently tried on the Long Island Railroad. It did seventy miles an hour, but was said to be good for ninety. The new trains with which the Union Pacific and the Burlington systems are experimenting are expected to run between Chicago and Los Angeles at seventy miles an hour. The opportunity for greater speed lies before American railroads, and there are signs that some of them are waking from their quarter of a century of disastrous hibernation to grasp it.

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Issues and Men

Six Months of Franklin D. Roosevelt

THE President has passed the first important milestone of his four-year term. Six months have passed since he assumed power, and it is now a trite fact that more has been crowded into that brief period than into any other peace-time Administration in Washington. It may even be contended that the first six months of Wilson's war Administration were not so momentous so far as legislation is concerned. Beyond question no man is able to visualize, or even to guess, how far the New Deal may take us. It is like war. You begin a war in Cuba and end on the other side of the globe in the Philippines, which scarcely an American had ever heard of before. You begin to battle in Belgium and you fight in Asia, Africa, and all over Europe before you are through. The country has started on a new path of controlled industry and economics and no one knows what the outcome will be—whether we shall hold on to our institutions, or whether we shall end completely socialized, or with a fascist dictatorship.

But that uncertainty need not keep us from trying to evaluate today what Mr. Roosevelt has accomplished and his manner of doing it, for that frequently counts for more than the actual achievement. Nor need we be deterred by the fact that the President has been actuated by no predetermined policy or program. He has not moved in accordance with any deep-seated political or economic philosophy—I still feel this even though, in his acceptance of Mr. Moley's resignation, he spoke of the latter's "participation during these two years in the development of policies based on our common ideals." During his term as Governor of New York there was not the slightest sign of advocacy of, or adherence to, any far-reaching policy of social reorganization. Nor did his speeches during his campaign in any way mark him as a radical reformer. Indubitably he has been governed, since he has been in Washington, by the immediate needs of the hour, especially at the very outset, when the banking collapse was upon us. To a certain extent that was inevitable; but to go on through three and one-half more years without a definite, clear-cut vision of the goal, or goals, to be achieved may easily prove to be a very different matter. The day may come, sooner than the President now realizes, when he will be faced with the question, "Under which king, Bezonian?" and have to decide once for all.

But today it is proper to pass judgment upon what Mr. Roosevelt has so far done without stopping to consider the remoter implications. I think we can all agree that his unbounded courage and cheerful self-confidence have had a vital effect upon the public. He has carried his tremendous burden almost jauntily—perhaps because of a certain streak of incurable youthfulness in him. In any event this attitude of his has helped to ease the national strain and to change the American mentality, and that, as I have already said on this page, is one of his greatest achievements. That we can today discuss and authorize radical measures without being called Bolsheviks is, I repeat, a tremendous step forward, for which we cannot feel too grateful. Side by side with that let me put the extraordinary spectacle of our greatest steel, coal, oil, and other magnates coming down to Washington, not to give orders as has been the habit of these privileged masters of capital, our real rulers in America for decades, but to sit like schoolboys before General Johnson, to be rudely lectured and told what they have got to do. What a reversal of roles! What a New Freedom for our government! Woodrow Wilson, the author of the New Freedom slogan, it will be remembered, undertook to do this very thing. His Assistant Secretary of the Navy has accomplished vastly more in six months in this respect—with the vital aid of an economic collapse and panic—than Mr. Wilson achieved during his entire term.

Then I want to praise here and now Franklin Roosevelt's attitude toward his high office. He has held it in the best American tradition, with complete simplicity, and has done nothing to augment, and much to decrease, that alarming tendency in Washington to adorn the Presidency with the trappings of royalty. He has been affable, approachable, modest, unassuming. Have you noticed that whereas Herbert Hoover was guarded at his summer camp by a company of marines at government expense—they made roads for him when not protecting his precious person—there is no such flummery, not a uniform, at Hyde Park? To some the President's going off on a little schooner seemed an affectation; to me it was an extraordinarily happy procedure. There were no plain schooner yachts in the days of Cincinnatus and Israel Putnam. Had they existed, those patriots, after returning to their plows, would probably have treated themselves to similar simple vacations. Like Grover Cleveland, Mr. Roosevelt has, so far at least, exalted his office by regarding himself as a citizen temporarily projected into a high place, seeking no personal enhancement. I have not heard definitely, but I do not believe that Mr. Roosevelt enters the public parlors in the White House, when they are full of visitors, preceded by a bugler, as did the pitifully small Herbert Hoover, whose subconscious realization of his smallness made him surround himself with ceremonial.

So the manner in which the President has borne himself in office, the charm of his radio voice, the friendliness which everybody has felt for him have all done their share in winning the public to him. I believe he would carry every State in the Union if the people were called upon to vote for or against him today. At least it is true that he has done away with partisanship, and not by strident patriotic appeals. There is Congressman Goss of Waterbury, Connecticut, a typical rich manufacturer-Republican and apostle of that protection by which he and his class and group have profited so largely. Did he not assure an NRA gathering in Hartford the other day that he, who had voted and worked against Franklin Roosevelt, wished now to testify that he had never in his life seen such courage and such devotion as the President has shown since March 4? This is disarming your enemies with a vengeance!

I have not space for further listing of the things that

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impress me favorably about the President. But the other side? Yes, there *is* another side which must be portrayed if justice is to be done and the scales held evenly. On the side of our foreign relations Mr. Roosevelt's record is bad, almost disastrous. Like his predecessors, he has parceled out many of the highest diplomatic positions to large contributors to his campaign funds or paid political debts with them. He too has degraded the newspaper profession—or better, business—by giving offices, such as the London Embassy, to newspaper supporters. He has done nothing in regard to Manchuria; he has shown no teamwork with Norman Davis and made no genuine contribution to disarmament despite his moving appeal to the nations to ground arms. On the contrary—and this is the worst of his offending—without warrant of Congress he has ordered the building up of the navy to treaty size by the petty subterfuge of "emergency public works," thus initiating a new armament race which has already produced the inevitable repercussions in England and Japan and may easily lead to another world war. He has given no lead in dealing with Hitler's Germany, and no voice to American indignation thereat. So far the inter-Allied debt situation is worse befogged under his failure to lead than it was before. His treatment of the World Economic Conference was literally scandalous; his change of mind on currency stabilization, and his berating of the conference because he had changed his mind, wrecked the meeting and reduced American influence to its lowest ebb. His repudiation of the gold clause in our bonds has also contributed enormously to the decline of American prestige.

At home the President has not yet really come to grips with some of the greatest vested interests, such as the protection barons. His attitude toward labor is in great need of clarification—as is that of the NRA, too. Yet it is a fact that he has abolished child labor—by accident if you please; and it almost looks, as one observer just back from Washington writes me, as if the government were "building a labor movement in America." He has, as I have said, no real chart by which to sail the ship of state, no deep philosophy, no real aim, no clarified vision of the America he wishes to create. Even his homily of the other day, that hereafter we are to treat all groups in the nation as neighbors have treated one another and allow no actions hurtful to anyone within the nation's boundaries, lacks clarity. Hence, if NRA fails and the emergency compels, we may yet see Franklin Roosevelt go to the fascist right as easily as to the radical left.

His severest tests are yet before him—especially the test of his leadership. He—and we—may sometime look back upon the just completed half-year as the golden period of his rule. As to that we shall know a great deal more when the next period of six months ends. Meanwhile, we can all be grateful for the good things that he has accomplished; wish him well every hour of the day and night; pray for his complete success, and help him, too, by rigid and faithful and unyielding criticism whenever and wherever criticism is due.

Oswald Garrison Villard

Russia's Mental Revolution

By LOUIS FISCHER

Moscow, August 17

COMMUNISTS derive much pleasure from pointing out the inner contradictions of the capitalist system, from pointing out the close proximity of luxury and dire poverty, for instance. Yet the Soviet Union has its own inner contradictions. Under certain circumstances plenty is a problem in the U. S. S. R. too. Thus the enrichment of the peasant between 1923 and 1926 precipitated the Stalin-Trotzky crisis in the Communist Party, and stimulated a demand for measures that would prevent further enrichment. The middle peasants and kulaks were increasing their production. At the risk of diminishing national wealth and income, the Kremlin had to check that increase. A mujik with two cows was a good citizen in 1925. But if one cow did the un-Bolshevik thing and gave birth to a calf, the mujik became a persecuted kulak who had to give up all three animals and thereby reduce the country's supply of meat and dairy products.

Agrarian collectivization was conceived as a means of eliminating this inner Soviet contradiction. In essence, collectivization is an attempt to foster peasant enrichment without thereby creating an economically powerful class that will oppose socialism and the soviets. The peasants are to grow rich collectively but not individually. Yet this year's excellent crop has already set people thinking whether collectivization can achieve this goal. One begins to foresee new struggles between the city and the village. One begins to suspect that collectivization is not the last step in the evolution of Soviet agriculture.

In 1917 the Bolsheviks nationalized land. The peasant held his land in usufruct. But he retained his draft animals, cattle, and equipment, and, after 1921, he could sell his produce privately. He was therefore a private capitalist—120,000,000 private capitalists in a socialist country of 145,000,000 inhabitants!

The purpose of collectivization was to take from the peasant his horse, ox, plow, and harrow, and to collectivize them. By collectivizing the peasant's means of production the government proposed to destroy him as a capitalist. Those Communist village administrators, therefore, who in 1929 and 1930 and again in 1932 also collectivized the peasant's cow, hogs, chickens, and vegetable plots were following a very healthy Marxist instinct, and it is no wonder, accordingly, that Moscow closed an eye to these activities. The peasantry, however, fought violently for its capitalist vestiges. It fought directly by means of sabotage and arson, and it fought indirectly by slaughtering the animals threatened with collectivization. (Hence today's meat and fat shortage.) As a concession to the village the Kremlin finally allowed the collectivized peasants to keep their dairy and small animals and poultry, and, moreover, to till their truck gardens for their own, as distinguished from the collective's, benefit.

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In May, 1932, as a further concession calculated to relieve food scarcity, the party and government legalized the peasant's open-market sale of his surplus products.

Now, the one big step forward, collectivization, plus these two apparently small steps backward, produces the following situation: The vast majority of Russia's peasants are organized in artels or collectives. They own no land, no working animals, no machinery. They plant and harvest the big crops, like grain, cotton, flax, and so forth, in common. From the common collectivized economy the peasant receives compensation in accordance with the size of the crop and with the quantity and quality of labor which he and his family have contributed during the year to the collective. He may consume this compensation himself, but in good years he has a very appreciable surplus of grain or potatoes to dispose of on the market. Here, then, as a unit in the collective, the collectivized peasant is a socialist producer and at the same time a private merchant. In addition, however, each member of a collective may and often does have a cow, a few pigs, some sheep, a few chickens, and a small area around his privately owned house where he grows vegetables, hay, sunflower seeds, and such minor crops. These are his own property. What he saves from personal consumption he can sell to individual city residents. Here the peasant is a private producer and a private merchant as well.

The Soviet agrarian collective, or *kolhoz,* accordingly, is not yet a purely socialist form of society. No one can say that Russian agriculture has been completely socialized. The present bastard unit is bound to pass through further evolutionary stages. It may be that the government will be forced to interfere with the growth in productivity of the kolhoz, as it interfered with the kulak's growing productivity in 1927.

Since socialism cannot be built in Russia until the village is socialist, it is probably no exaggeration to say that the fate of the collectives will determine the course and fate of the Bolshevik Revolution. Isolated facts, logic, and a knowledge of Soviet psychology combine to suggest what may be the next development in this important field. A collective peasant's cow gives birth to a calf. His sow gives birth to a litter. His private, capitalist economy around his house and in his barn begins to branch out so that he can live well on what it yields him. But he is still a member of the kolhoz and it is solely by virtue of that membership that he enjoys the privilege of maintaining his individual farming enterprise. He therefore gives the collective his perfunctory services in planting, reaping, and threshing, but concentrates chief attention on his private household and on merchandising its surpluses. The kolhoz supplies him with fodder for his animals, bread for his family, and with an approved social status. His own enterprise makes him a well-to-do farmer.

The government could meet this situation by levying heavy taxes on the kolhoz member's private economy or by prohibiting him from owning more than one cow, ten pigs, and five sheep; such measures would reduce production and check national progress. It could insist that he give the common activities of the collective a minimum number of work-hours during a season; this might compel him to neglect his private activities. It would certainly arouse his resentment.

What would prevent the Bolsheviks from allowing the present mongrel socialist-capitalist kolhoz to exist undisturbed? It combines individual and social initiative to produce a satisfied, prosperous village and a well-supplied city. It would be natural to suppose that the Bolsheviks, anxious for a period of rest and growth, would refrain from tampering with a system that is yielding concrete results. Yet such are the inexorable laws of a revolution that this peaceful acceptance of the status quo is less likely than a more dynamic development.

Every time I pose the question of the collective's future to Russian Communists they reply that in the end cattle, barnyard animals, and so on will also be collectivized; that is, the peasant's private economy will be taken over by the common group, or, at least, the collective will acquire the commercial increases to the individual member's stock, allowing him to retain only those animals which supply his family's consumption requirements. The decree of August 14 allowing 772,000 kolhoz members to buy calves from peasants owning two animals is an initial step in this direction. If the mujik really grows well-to-do and happy in the kolhoz he will resist such measures less violently than he did the first steps toward collectivization. For after two or three years the collective member, I assume, will appreciate the advantages of collectivization. He will be inclined to believe that a further and logical development of the collectivization process will do him no harm. He did not think so in 1929 and 1931. If the Bolsheviks and especially the village administrators check their radical zeal, and if the collectivists' experience during the next few years is pleasant, the Soviets will have won their battle for a socialized village. The question is whether they will wait till the peasant is convinced or whether they will try, as in the past, to "convince" him by force, by collectivizing his individual enterprises. Such further collectivization would introduce the problem of incentive and labor discipline which exists on the big state farms (*sovhozi*) and in Soviet city factories. In fact, such collectivization would bring the kolhoz much closer to the organizational cast of the sovhoz, where the state owns everything and where the peasant is an industrial worker receiving wages but no share in the harvest. Theoreticians here, indeed, are of the opinion that the present collectives will first have to pass through the stage of sovhozi or farm factories, which make the peasant a proletarian, in order later to rise to the ultimate and highest social form of a collective with no private capital and no government capital. That collective, which may not evolve for many years, will be the true and free cooperative unit or commune. When it is remembered that these mutations are social and cultural as well as economic and that they affect every minute of the lives of 120,000,000 people, it will be realized how important any change in collectivization is to Russia. What is happening in Soviet fields represents the first revolution in agriculture anywhere since the bourgeois industrial revolution made the serf a peasant and farmer. Now, in effect, the tendency toward sovhozi in the U. S. S. R. threatens, or promises, to make the farmer a workingman.

Meanwhile, the kolhozi are more efficient than the big sovhozi. The collectives seem to be working very well because they learned last year that bad work brings them suffering, because they now know that the better they work the more they will earn, and because they realize, finally, that there is no way back from the collective to purely private capitalist farming. In fact, the apparent success of collec-

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tivization and the difficulties of factory directors in finding workers induces the Moscow daily, *For Industrialization,* to wonder whether urban workingmen are not returning permanently to their villages. It answers this question in the negative—for the time being—but adds that collectivized peasants are likely to avoid seasonal labor on city construction projects unless working conditions are improved. This is an interesting instance of reverse action of village on city. For decades it was the badly situated village which sent surplus population to the more comfortable city. Now the city is warned that it must become more comfortable if it is to attract villagers. Things happen quickly in the Soviet Union. I would venture the prediction that if the conditions of urban labor are not materially improved, there will be a serious shortage of industrial workers in Soviet cities.

In the early years of the revolution pressure of surplus population from the underfed countryside forced Moscow to adopt a more ambitious industrialization program. But a prosperous countryside will demand more goods, and will therefore likewise force the Bolsheviks to stimulate industrial production. For with all the rise in factory output, supplies are still inadequate. During the last bad year the peasantry bought comparatively little, and Moscow, for instance, is consequently well stocked with commodities. One sees strange sights here. Many windows display signs reading "Prices Reduced," while several furniture shops have introduced the instalment system with no increase in prices. A number of department stores have staged spring sales. But in a few weeks the peasantry from the Moscow region will swoop down upon the city and probably wipe it clean of industrial articles. Then a loud cry for more goods will rend the air.

Very striking tendencies can be observed in the buying activities of kolhoz peasants. Not one would think of buying a horse. He has no right to own a horse. Here is a real farmer. But he would no more think of buying a plow than a factory workingman would think of saving up to buy a turbine. The Russian peasant, in other words, can spend a decreasing amount of money on the acquisition of capital. He will use his money instead, to eat more, clothe himself better, and live more comfortably. This is another factor, Russians say, undermining the capitalistic instincts of the mujik. I wish I could convey the momentousness of such psychological changes. They amount to a national mental revolution.

One must distinguish, however, between capitalistic instincts and private-property instincts. The Soviet worker and to an increasing extent the Soviet peasant are losing their capitalistic psychology. They do not want to own machines or draft animals or business real estate. They are content to be employees of the state. But there is no objection in Bolshevik theory or practice to the holding of personal wealth—furniture, apartments, clothes, cows, bicycles, watches, libraries—and in view of the present scarcity of goods, the yearning for these worldly objects becomes abnormally strong. The utopian Communist ideal envisages a plethora of goods in communal unguarded warehouses from which, since there will be no private trade, no one will take more than he can consume. No one hoards air or water. But the converse is also true—the importance attached to material objects increases if their number is small and inadequate. And the fact is that a great deal of the ugly moral phenomena manifested in the acquisition of living quarters, petty privileges, and commodities in the Soviet Union can be traced directly to the general scarcity, which, all improvements in production notwithstanding, is considerable. Perhaps it is more significant that the desire to be a capitalist is disappearing in Russia. But even the temporary reinforcement of the acquisitive sense in a society which strives to become socialistic is a strange contradiction.

The NRA: Pin Pricks and Brickbats

By PAUL Y. ANDERSON

CONCERNING the resignation of Raymond Moley as Assistant Secretary of State it would appear that more arrant nonsense has been uttered than about any other past or future event except the second coming of Christ. Published gossip on the subject ranges all the way from the characteristically irresponsible guess of Will Rogers that the "brain trust" is being dissolved, to Mark Sullivan's lumbering and cloudy thesis that the Administration is returning to "normal party traditions." It is true that the realistic and nationalistic professor was not exactly happy with the idealistic and internationalistic politician who was his nominal chief. It is also true that Moley was the victim of some extremely bad publicity while in London—a circumstance not unrelated to the presence of Herbert Bayard Swope, concerning whom most American correspondents feel strongly. It might be remarked parenthetically that Moley did not choose Swope for a traveling companion. However, the truth about the resignation is, like most truth in similar situations, too simple and primitive to be readily believed by a doting public accustomed to mysteries. Moley quit for the simple and sufficient reason, as he put it privately, that "Vincent Astor showed me more money than I knew existed." Like other participants in the New Deal, he had experienced difficulty in maintaining three residences on an annual salary of $6,800, and when Astor took him to the top of the mountain, he succumbed. He is just as close to the President as he ever was, and had he elected to remain in the Administration, neither Cordell Hull nor the gates of hell could have prevailed against him.

* * * * *

IT is hardly conceivable that the progress of NRA can be seriously diverted by the dainty pin pricks of *The Nation* and the *New Republic,* but Hugh Johnson will do well to keep an eye out for the axes wielded by the New York *Herald Tribune,* Washington *Post,* and other disgruntled Hooverites who are prepared to sabotage his program at every opportunity. The Reids and the Meyers are determined people. They have not forgiven Roosevelt for last November's landslide nor are they likely to forgive him.

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Moreover, they speak for great vested interests which are rapidly arriving at the correct conclusion that the recovery program is a spear aimed at the heart of the existing profit system. If anyone believes that this outfit will surrender without a battle he is unacquainted with the native tenacity of the American hog. A symptom of this disposition is already seen in the widespread refusal of banks to finance business institutions during the period of expansion contemplated by the recovery program. The situation became so threatening that Roosevelt was compelled to hurl the R.F.C. into the breach, thus again raising the question of how long American business and the American people will be content to have a public function such as banking remain in the hands of private individuals who have shown themselves to be completely unresponsive to the obligations of their position. It is my personal opinion that the bankers are treading on thin ice—but then, who ever expected a banker to learn anything? Where there is no feeling there is little sense.

* * * * *

THERE have been intimations that I resent any criticism of the NRA. That is silly. What I object to is criticism which misses the mark, from critics who have not the vaguest idea what they are talking about. There are plenty of sore spots in the NRA, and I purpose without further delay to indicate some of them. So far as national headquarters is concerned, NRA is, on the whole, sound and amazingly well equipped with talent. The principal danger to its eventual success lies, I believe, in local administration. It is dismaying to hear from the lips of a supposedly sensible Midwestern mayor the statement that "it looks like our main trouble will be with the Communists." It is positively appalling to see a preposterous popinjay like Grover Whalen conducting the reemployment campaign in New York City. After taking a look at the mayors and the chairmen of mayors' committees who called on Johnson this week, and listening to a few of them, I went home with a painful headache. Already there are complaints that the Blue Eagle is being used to avenge private feuds, and that local chambers of commerce have not yet learned that the law protects the right of employees to bargain collectively through representatives of their own choosing, free of coercion or interference. National headquarters is aware of these abuses. In time, I think, they will be corrected with a heavy hand. Johnson has been so busy wringing codes out of the major industries that he has simply been unable to attend to such details. Eventually, unless I am greatly mistaken, they will be attended to—and how!

* * * * *

NEXT to the frailty and corruption of local administration, the greatest threat to the success of NRA consists of sabotage from within. Johnson brought with him some fourteen deputy administrators, chosen, as he said, on the basis of personal friendship. To use his words: "I am responsible for the acts of these men, and I must have men I can trust." He has discovered already that in certain instances his trust was misplaced. There is evidence that deputies authorized to obtain codes from great industries utilized their contacts with the great industrialists to feather their own nests for the future. Indeed, at certain hearings which Johnson and Chief Counsel Richberg were unable to attend, the attitude of the deputies was such as to bring serious complaints from labor representatives, who asserted that they were not permitted to make a case. In consequence, the General read the riot act at a staff meeting, declaring that if anything of the sort happened again he would "throw the guilty man out on his ear." He has gradually awakened to the fact that his old buddies in the army and industry do not fit very well into the NRA picture. Of the fourteen, he has come to lean almost entirely on Simpson, Colonel Lea, Whitehead, and Muir. To a vastly greater degree, however, he now leans on Richberg, Wolman, Sachs, McGrady, John Lewis, and others who personify the interests of labor in the recovery program. Brains will tell. The Consumers' Advisory Committee, up to this week, was a total loss. Its chief purpose seemed to be to give Mrs. Mary Harriman Rumsey a season in Washington. Within the last few days, however, the activities of the committee have been placed under the direction of a first-rate economist, Dexter Keezer. Now there is a possibility that it will do something really useful.

* * * * *

NEVERTHELESS, NRA has its lighter side, and nothing could be more amusing than the havoc it has wrought in the minds of my more distinguished colleagues, such, for example, as Walter Lippmann, Mark Sullivan, and Samuel G. Blythe. Lippmann's case is the most pitiful, perhaps, because his stock in trade has always consisted in seeming to know everything. He appeared recently at NRA headquarters with a list of prepared questions for Sachs to answer. Sachs, probably the most brilliant statistical economist in America, glanced over the questions and laughed aloud at their sophomoric naivete. Virtually all of them disclosed a complete misunderstanding of the fundamental purpose of NRA, and each called obviously for an answer which would fit neatly into another Lippmann schoolboy theorem. Having furnished Walter, free of charge, with most of his economic ideas over a period of years, Sachs offered to talk to him, but declined to supply answers to the hand-made questions. Two or three days later "Today and Tomorrow" reported that the recovery program seemed to "lack direction," but the author felt there had been a distinct improvement in human nature under the Roosevelt Administration. As for Sullivan—poor Mark, I knew him well under Hoover! In those days he was sure of himself. Now he potters around in something of a daze, composing kindergarten pieces to the general effect that NRA is designed to increase mass purchasing power. This startling fact, I suspect, was imparted to him by some *Herald Tribune* newsboy. There was a time, perhaps, when Sam Blythe was the best newspaperman in the United States. For the *Saturday Evening Post* to yank him out of his retreat on the Pacific Coast in this day and age and toss him into the Washington maelstrom was a selfish and brutal act. To him what is happening here is merely a "kaleidoscope," seen through the eyes that are still filled with the images of McKinley and the elder (and lesser) Roosevelt. There is such a thing as indecent intellectual exposure. If the ghost of Sam Blythe is betrayed into stating that Lew Douglas stands ace high with Roosevelt; if it is permitted to refer to Dolly Gann as "Mrs. Polly Gans," the editors of the *Saturday Evening Post* are to blame. However, the world does move.

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Utility Profits in New Jersey

By SAMUEL MORRIS

RESOLUTIONS by municipal, commercial, and civic bodies and letters from countless numbers of individuals have poured in on the New Jersey Public Utility Commission urging cuts in utility rates. In addition, an intensive campaign for reduced rates was launched by the Newark *Star-Eagle*, with the result that the Utility Commission, on August 3, 1933, began an inquiry into the electric rates of the Public Service Corporation of New Jersey. On the opening day of the inquiry the board heard one witness and also the plea of the president of the corporation that a reduction of rates would be contrary to the spirit of President Roosevelt's NRA program. The hearing was then adjourned until August 22, 1933, at which time the board heard another lone witness, and on the plea of the vice-president of the corporation that "this is no time to be bothered or fussed with formal rate hearings; it usually takes years and we probably will get nowhere," the hearing was then adjourned until September 14, 1933.

Although the utility commission belatedly undertook this investigation, it is interesting to note that it had stated only a short while before, when the public was pleading for action by the commission to lower utility rates, that it required $100,000 to finance a full investigation of the Public Service Corporation's rates, in spite of the fact that for the fiscal year of 1932 the legislature had appropriated the sum of $264,044 for the commission's expenses. As the Camden *Courier* very aptly remarked:

> Just why facts are so costly to unearth, especially when the utility commission maintains a staff of engineers, we cannot imagine. One would think that a careful system of records would show, rather quickly, what properties any given utility possesses, their age, and their value when acquired. . . . To be sure, the maze in which holding companies have involved the utility game does complicate the issues, such as management, service, and finance charges. . . . But surely it ought not to cost $100,000 to dig those out. . . . We cannot believe that it costs Public Service $100,000 every time its officials want to find out how much money it is making—or how much any subsidiary is making or losing.

In conducting an investigation of this sort, it is necessary to determine whether or not the present rates charged by the Public Service Corporation to the consumer are fair and just. Let us take, for instance, the Atlantic City Electric Company, which operates in Atlantic City and a very large portion of southern New Jersey. This company reported that for the year 1931 the cost of producing one kilowatt hour of electricity was 0.194 of a cent, or less than one-fifth of a cent. Again, the Public Service Corporation, which operates in the northern and central part of New Jersey, reported that for the same year its kilowatt-hour cost was 0.30 of a cent, or about one-third of a cent. Yet the charge in south Jersey for domestic current is 9 cents per kilowatt hour and the Public Service Corporation charges $2.50 for the first thirty kilowatt hours, or about 8 cents per kilowatt hour. Some may wonder that these companies can operate so successfully on such a predatory scale. Why is the sale price about 2,700 per cent higher than the cost of production? Why is a company allowed, as hereinafter shown, to overcharge the consumer by more than $25,000,000 in three years? The answer lies in our system of regulation of the utilities. As Lincoln Steffens says in his autobiography, we are having "regulation by the regulated."

It is evident that the public-utility industry has been operating during the depression with boom rates, maintained with the approval of the utility commission. Unlike any other industry, the utilities have received a guaranteed return on an inflated valuation, free from the vicissitudes of ordinary business—that is, competition and the law of supply and demand. The utility, naturally, has everything to gain from this lack of competition; the consumer loses. Suppose there were but one butcher in your home town and everyone had to buy meat at his store or go without it. How much more would you pay for meat? There is but one electric or gas company in your community. You must take its service at its rates or be without service.

A very apt illustration of the beneficence of competition in the public-utility industry under private operation is to be found in a recent case decided by the United States Supreme Court.[1] In this case the Great Northern Utilities Company, operating a gas plant in Shelby, Montana, a village having a population of 2,000 people, charged 60 cents for the first thousand cubic feet of gas. A new company was formed, known as the Citizens Gas Company, which installed a plant and supplied gas at 35 cents per thousand cubic feet. The Great Northern, realizing that it was losing its customers, cut its rate to 20 cents per thousand cubic feet. The Montana Public Service Commission enjoined the Great Northern from this cutthroat competition and required it to charge 35 cents per thousand, the same rate charged by the new Citizens Gas Company. The United States Supreme Court upheld the order of the Montana Public Service Commission. Obviously, the Great Northern would never have cut its rates if it had continued to have a monopoly. Theoretically, a monopoly should work in the interests of the people by cutting down the costs involved in competition; but in practice the consumer does not benefit by monopoly.

A public-service company, like any other business enterprise, must be conducted on a profit-making basis if it is to continue and prosper. It must have a fair return on its business. But what is considered a fair return? In a leading case[2] the Supreme Court said: "We hold that the basis of all calculations of reasonableness of rates must be fair value of property being used by it for the convenience of the public." In a case[3] decided as recently as January 9, 1933, the Supreme Court affirmed the decree of the lower court which held that a 7 per cent rate of return was adequate. And on May 8, 1933, the same court in a utility rate case[4]

[1] Public Service Commission of Montana *vs.* The Great Northern Utilities Company, 53 Supreme Court Reporter, 546.
[2] Smyth *vs.* Ames. (U.S.) 42 L. Ed. 819.
[3] Wabash Valley Electric Company *vs.* Young. (U.S.) 77 L. Ed. 349.
[4] Los Angeles Gas and Electric Corporation *vs.* Railroad Commission. (U.S.) 77 L. Ed. 820.

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sustained and approved as adequate a 7 per cent return. Do the New Jersey utility companies under discussion receive a return of 7 per cent or does the percentage of return go beyond the point which the courts have ruled is fair?

Let us examine for a moment some of the data taken from the records of the Public Utility Commission with respect to the Atlantic City Electric Company, operating in southern New Jersey, and the Public Service Corporation, operating in the northern and central part of New Jersey.

FIXED CAPITAL AND RETURN THEREON 1929-30-31

	Atlantic City Electric Co.	*Pub. Serv. Co. (Elec. Dept.)*
	Year 1929	
Fixed capital	$30,376,707	$245,801,554
Net revenue	2,515,014	25,847,920
Rate of return	8.27%	10.50%
Return on 7% basis	2,126,369	17,206,108
Excessive earnings over 7%	388,645	8,641,812
	Year 1930	
Fixed capital	$32,461,214	$289,524,894
Net revenue	3,203,573	28,308,799
Rate of return	9.90%	9.80%
Return on 7% basis	2,272,284	20,266,742
Excessive earnings over 7%	931,289	8,042,057
	Year 1931	
	Based on average 1931 prices	
Fixed capital	$ 40,784,221	$296,504,913
Net revenue	3,082,660	29,555,155
Rate of return	7.55%	9.97%
Return on 7% basis	2,854,895	20,755,343
Excessive earnings over 7%	227,765	8,799,812
Total excess	1,547,699	25,483,681
Total excess earnings of both companies in three years		$27,031,380

Thus, for one product, electricity, these two companies have overcharged New Jersey consumers $27,031,380—a sum which would be much greater if not based on inflaeed valuations.

Better to understand the use of inflated valuations for rate-making purposes, it is interesting to note that in an effort to defeat certain mandamus proceedings instituted by this writer in the New Jersey Supreme Court in 1931 for the purpose of compelling a referendum vote on public ownership, the chief statistician and accountant of the utility commission was engaged to appraise the book cost new of the plant and equipment of the Atlantic City Electric Company, *allocated for use in Atlantic City*. The plant and equipment were appraised at $8,670,968, whereas this company's identical property in Atlantic City was assessed for the year 1931 for purposes of taxation in the sum of $4,208,000.

The results of the present investigation are problematical, but the outlook seems dark for the reason that the entire conduct of public-utility commissioners indicates that they are chosen by and for the utilities. Attend any hearing before a utility commission. Observe the servility and deference of the commissioners toward the utility company's representatives. Observe the commission's intolerant attitude toward any protesting consumer or consumers' representative. Of course, some utility commissioners appear hostile toward the utility company at the hearing, yet strangely enough, in the majority of instances, the decision favors the company.

The utility commissioners do not spend their time exclusively on the work of the utility commission. They have their own business and professions to attend to. Some utility commissioners are bankers, and during the recent financial crisis and prior thereto they required the utilities to deposit funds in their banks to help them to withstand runs. To illustrate the anxiety of the utilities for their pet commissioners, let me cite the following:

A short while ago this writer instituted in the New Jersey Supreme Court a *quo warranto* proceeding to test the right of a certain member of the New Jersey Public Utility Commission to hold that office at the same time that he held a municipal office. It was argued that since this commissioner was guilty of dual office-holding, he forfeited his membership on the board. The courtroom, at the time of the argument, was crowded with utility executives and representatives, buzzing encouragement to the commissioner; it looked more like a utility convention than a court proceeding. It was quite manifest from the conduct of the utility executives toward the commissioner that they had an unusual interest in this member retaining his position. In fact, counsel for the utilities was present and assisted in the commissioner's defense. The court refused to remove the commissioner at the time; and a short while afterward the legislature of New Jersey passed a special act which validated his position as utility commissioner.

This unholy alliance between public officials and utility companies is not peculiar to New Jersey. It is universal. It is the reason why, though the purchasing power of the American dollar increased tremendously from 1929 to 1933, utility rates were permitted to remain practically stationary. There is but one remedy for the evils of a system which works such hardship on the consumer, and that remedy is public ownership.

Public ownership not only affords the citizens of municipalities lower utility rates, but enables them to reduce the burdens of taxation and government by appropriating to the cost of government the profits earned from municipal operation. The Reconstruction Finance Corporation is lending money for self-liquidating projects; a publicly owned utility is an excellent example of a self-liquidating project. An example of successful operation of a municipal utility is the Atlantic City Water Department. Atlantic City, which owns and operates its own water plant, charges the citizens 12 cents per thousand gallons. Private companies in the vicinity operating water companies supply water to citizens at 45 cents per thousand gallons, plus additional service charges.

The cause of public ownership is making great progress. We have on our side such liberal minds and honest and indefatigable workers as Senator George Norris, David Lilienthal, Judson King, Morris L. Cooke, Donald Richberg, and others. Recently, Governor A. Harry Moore of New Jersey approved a bill submitted to him by the writer, facilitating and simplifying the procedure for a vote on public ownership of the utilities. The matter is now in the hands of the legislature, and if it is approved, New Jersey will be able to avail itself of the opportunity pointed out by President Roosevelt when, on September 21, 1932, in Seattle, he said:

> Where a community, a city, a county, or district is not satisfied with the services rendered or the rates charged

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by the private utility, it has an undeniable right as one of its functions of home rule to set up, after a fair referendum has been taken, its own governmentally owned and operated service. . . . I might call the right of the people to own and operate their own utility a birch rod in the cupboard to be taken out and used only when the child gets beyond the point where mere scolding does no good.

The whip of public ownership will, if properly exercised, not only give the people lower utility rates, but afford them profits which can be used to reduce taxation.

[*This is the tenth of a series of articles on electric power and the consumer. The eleventh will appear in an early issue.*]

The Dramatic Variety of Sidney Howard

By JOSEPH WOOD KRUTCH

THE theatrical season which began in the fall of 1924 was made remarkable by the appearance of two very original plays from the pens of little-known playwrights. The first was "What Price Glory?" by the Messrs. Anderson and Stallings, the other "They Knew What They Wanted," by Sidney Howard. In many respects the two were different enough, but they were commonly mentioned together for the very good reason that they were the first thoroughly successful efforts to express in dramatic form a realistic attitude marked by certain novel features. All three of the authors were fresh from their experiences in the Great War, and the fact may very well have had something to do with the tone of the plays, but the best way to describe them would be, perhaps, to say that both were essentially serious without being in the slightest degree "highbrow."

This in itself was a kind of novelty. The "new American drama" written by the "experimental playwrights" who had grown up around the Provincetown Playhouse and the Washington Square Company had been very self-conscious and very much under foreign influences. Sometimes it tended to be a kind of neo-Ibsen problem play, sometimes it was "arty" in much less substantial ways, but it was very much inclined to think of itself as a thing apart, as the product of a "movement" if not actually of a cult. Mr. Howard, on the other hand, had somehow managed to escape from all that. The Theater Guild produced his play for a general public which found it highly acceptable, and one way to define the fact that he was a new kind of "new playwright" would be to say that he was writing for the commercial theater. But to say that is to imply something much more important than the fact itself. It is to imply that he had thoroughly assimilated the attitude of the generation which had been busy rebelling against the long lingering Victorianism of our theatre, and that, without arguing or explaining, he could assume it as the point of view from which men and women were to be presented. The "new drama" had lost its self-conscious newness. It was taking itself and asking that it be taken as a matter of course.

Underlying the play was a moral attitude which a Victorian would certainly have found incomprehensible and which an anti-Victorian would certainly have made it his chief business to expound. The heroine is the mother of an illegitimate child conceived on the eve of her marriage to a kindly old man whom she does not love; the hero is this kindly old man, who discovers the wrong which has been done him but who ends by accepting the child because a child was what he really wanted. What an opportunity—entirely neglected by Mr. Howard—to expound a paradoxical morality, to define Love, to explain the Case for the Unmarried Mother, and, in general, *épater les bourgeois!* But the explanation supplied by Mr. Howard for these events is not intellectual at all. They become understandable and acceptable purely in terms of the characters; convincing and satisfactory as a series of concrete situations which work themselves out in that way. The play, in other words, is not a play about ideas but a play about men and women, and the same may be said of all its author's best work. Behind that work may of necessity lie a point of view and a philosophy; but the concrete situation and the concrete persons who find themselves in it always come first. They are not invented to illustrate a thesis. The thesis, if any, is discovered by the audience—and I suspect by the author as well—by contemplating them.

"They Knew What They Wanted" was Mr. Howard's third play. He had come from California and the University of California to spend one year in Professor Baker's class. After that he had served in the ambulance corps on the western front during the early days of the war and as a captain in the flying service after the United States became involved. He had also collaborated on a book of reporting, "The Labor Spy," and produced "Swords" (1922) and "Bewitched" (1924)—the latter in collaboration with Edward Sheldon. The first of these plays was a romantic melodrama with more than a suggestion of pastiche; the second a romance rather poetic than realistic. Both achieved a certain *succès d'estime* without attracting any large audience, and both were apprentice work for a man who found himself as a dramatist in "They Knew What They Wanted."

Since the latter was produced—and won the Pulitzer prize—Mr. Howard has had nine plays on Broadway. The themes of the nine show a variety which would probably be impossible for a playwright who did not, like him, find his inspiration in the concrete situation, and they have met a variety of fates—ranging all the way from flat failure like that which attended "Half Gods" to the triumphant success won by "Ned McCobb's Daughter" (1926), "The Silver Cord" (1926), and "The Late Christopher Bean" (1932). In the meanwhile he has also found time for a very successful career as a writer in Hollywood, and, as an active member of the Willard Straight Post of the American Legion, to help that post be a thorn in the side of the national organization.

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All this suggests the energy and vigor which are so characteristic of his work. Being enthusiastic and impulsive rather than primarily reflective, he is both prolific and not the best judge of his own work. Indeed, the public has been more right than he, and his finest plays since his first success have been the other successes, "Ned McCobb's Daughter," "The Silver Cord," and "The Late Christopher Bean." Moreover, each is, despite the variety of moods and materials, like "They Knew What They Wanted" in that the author has devoted himself in each to the task of presenting concrete situations and concrete characters. He has, to be sure, a conspicuous gift for achieving a clear, straightforward dramatic construction; he has also been lucky in having a series of excellent actors—Pauline Lord, Richard Bennett, Alfred Lunt, Laura Hope Crewes, and Walter Connolly—for his best pieces. But essentially their effectiveness has been due to the fact that they were less comments on contemporary life than presentations of it. One never knows what Mr. Howard is going to say. With him, one sometimes feels, a conviction is an enthusiasm and, like any other enthusiasm, likely to disappear as soon as it has emerged. But one is always sure that the situations will be dramatic, the characters vivid, and the motives understandable.

"The Silver Cord" is the only one of his plays which develops in accordance with a rationalistic formula. It deals quite explicitly with a mother complex, and the most dogmatic Freudian would find nothing to disagree with. Yet Mr. Howard is known to have quarreled violently with the Theater Guild because its directors insisted upon discussing it in Freudian terms, and the fact is significant of his temperamental antipathy to intellectual formulas, of his impatience with anybody's ideas even though they happen to be also his own. Last year he was one of those writers who signed the manifesto in favor of William Z. Foster. Put that fact alongside the further facts that he rushed into the war as soon as possible and then, once it was over, helped organize the obstreperous Willard Straight Post of the American Legion. Together they give you the picture of a man who loves a row, or, rather, who loves a joyous participation in dramatic events. That also is the man who writes the plays. In them the clash of creeds and temperaments interests him for its own sake. He can take sides enthusiastically but he can also change them. He is, whether he knows it or not, pretty certain to be on the side most likely to precipitate a dramatic crisis and pretty likely, in his plays, to see to it that one takes place. Being also a man of intelligence, his attitude is usually intelligible and his crisis significant. But it is the happening which interests him and the happening which interests his audience.

Under the circumstances it would obviously be useless to inquire what his leading ideas are. He is not, like Mr. Kelly, primarily a moralist. Neither is he, like Mr. O'Neill, a writer of tragedy, nor, like Mr. Behrman, a consistent writer of comedy. He can expound Freudianism in "The Silver Cord," approach tragedy in "They Knew What They Wanted," declaim rather intemperately in "Half Gods," and achieve a serene comedy in "The Late Christopher Bean." But none is more characteristic of him than the rest. Neither is there anything common to them all except the vigor of the characterization plus a certain robust delight in the conflict for its own sake. Their unity, therefore, is only the unity of a temperament, and the only way to describe what kind of plays Mr. Howard writes is to describe what sort of man he reveals himself to be.

To witness one of his plays is to experience the same sort of exhilarating pleasure that one gets from the society of an active man with quick and vigorous perceptions. One is plunged at once into a series of happenings and made to share the whole-hearted interest of a writer who throws himself into everything with an unreserved enthusiasm. The characters are observed with extraordinary intentness and set down in sharp bold strokes. Something of the author's own decisiveness is communicated to them, and the dialogue has something of the crisp clarity of his own speech. Subtlety of a kind is by no means absent and poetry of a kind is also present. But the subtlety does not exhibit itself as hair-splitting and the poetry is neither rhapsodical nor dreamy. The men and women are plain people with their feet on the ground; the scene, some very definite corner of our particular America. Obviously Mr. Howard hates any sort of artistic pretentiousness as much as he hates intellectual dogmas. He is determined to exercise his subtlety in the accurate observation of familiar things, to find his poetry in the loves and hates of people who may be distinguished by the strength and the clarity of their passions but who remain, nevertheless, essentially familiar types.

His is, therefore, a daylight world, in which common sense is still the standard by which everything is judged. An epigram may flash forth here and there, but in no other way does he ever permit himself to approach a conventionally literary style. There are no Orphic utterances, no purple patches, no evocation of what the more esoteric devotees of the drama call "moods." Nothing ever eludes the spectator, nothing ever seems vaguely to mean more than it says. But what it does unmistakably say is enough for anyone capable of sharing Mr. Howard's very active pleasure in straightforward passions and straightforward events. His plays are not highbrow plays because their author is not a highbrow, and they teach no doctrine because he is not a doctrinaire. Essentially tough-minded, he is interested in facts and out of them he builds his plays. It is for that reason, no doubt, that the captain of aviation never wrote a patriotic play nor the supporter of Mr. Foster a communistic one. He took part in a war and some day he may, conceivably, help along a revolution. But it would be safe to wager that he will never either preach loyalty to the flag or write a treatise on dialectic materialism.

Writers who are intelligent without being "intellectual," and artistic without being in any sense "arty," frequently get from critics somewhat less consideration than they deserve. They are too clear to require explaining and too popular to need defense. Your critic, accordingly, all too frequently prefers to discourse at more length upon the merits of those persons whose excellences are less evident. But the fact remains that Mr. Howard's plays are among the best ever written in America. They have, in addition, probably had more influence upon dramatic writing than can ever be directly measured. Mr. Howard stands very near to the head of the list of those who rescued the popular drama from that sentimentality which for some reason continued to be considered indispensable there long after it had disappeared from most serious writing in other forms.

[*This is the fourth and last of a series of articles on contemporary dramatists.*]

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The Engineer and the Depression

By W. A. SHOUDY

THE engineering profession is possibly the first to feel the approach of a business depression and among the last to benefit by recovery. This sentence is not written in a spirit of complaint but rather as a statement of a principle which the engineer fully recognizes, even though during the last boom period he completely ignored it. The engineer is a vital part of the capital-goods industry; he is principally concerned with new machines, new processes, new projects, all of which require new capital, and when capital expenditures cease, the engineer is unemployed. Only one class of engineers can be excepted—those who are concerned in the operation of the machines of the essential industries: food, clothing, heat, the utilities, and such maintenance of shelter as cannot be postponed. A large percentage of this class is still employed, though at greatly reduced earnings, but those identified with the capital-goods industry are in bad straits. Since the volume of business done by these industries has shrunk to 20 per cent of normal, it has been impossible for the employer to hold the engineer; and not only the engineer but the non-technical employee has suffered severely because of this drastic reduction in business volume. A similar situation occurs, though to a lesser extent, with each depression or threat of depression, and the employment situation of the profession is a fairly accurate indication of future business conditions. In 1920 and 1921 and early in 1928 unemployment among engineers became a serious problem. At the time it was carelessly considered as a temporary condition; actually it was an accurate indication that boom times were about to end.

No accurate information can be obtained as to the extent of unemployment among engineers in this depression, principally because the engineer is essentially an individualist and does not ask for help until he has tried every line of self-help. He has never been highly paid, but he has been provident and usually owns his home, though in many cases he has invested his savings as unwisely as have others. The man who lives in a small community has managed to meet his taxes and possibly interest on a small mortgage and by one means or another has not had to ask for help and is not registered among the unemployed; but the man in the large city has had to meet his monthly rent and now with his savings nearly gone must ask for help. The type of man asking for aid from our professional committees is far higher this year than it has been in preceding years. Although an engineering employment service through our national societies has been established for many years, hardly more than 25 per cent of the membership has ever made use of such service. Largely because of this self-sufficiency the numerous engineering relief agencies have reached only the most serious cases. Questionnaires are neglected, and almost invariably the destitute engineer must be urged to accept financial assistance. Only one engineering society has been able to make a reasonable estimate of unemployment, and then only because a large proportion of the membership is employed on large projects and in groups whose activities can be traced. Other societies can base their estimates on the only facts available—non-payment of dues and the decrease in contributions for unemployment relief. These studies indicate that possibly one-half of the country's engineers are without work and that the combined earned income of the profession may not exceed 25 per cent of what it was in 1927. Yet in spite of this most serious condition the engineer has not asked for help outside of his profession. He has contributed to the support of his less fortunate brothers and to the public relief funds, but he has made sure that the destitute members of his profession receive their just proportion of the tax-paid welfare funds. He has been at the forefront in the creation of public-works programs to relieve unemployment—in fact, without his technical guidance such programs would be feeble indeed. For more than twenty-five years engineers have been urging the preparation of such programs to absorb unemployment during depression. This movement was given concrete form in 1920 by the organization of the American Engineering Council, which has continuously urged public-works programs on a public deafened by prosperity.

Probably the most accurate indication of the condition of the profession is found in the statistics collected by the Professional Engineers' Committee on Unemployment for the Metropolitan District of New York, New Jersey, and Connecticut. This committee, representing the local members of the Societies of Civil, Electrical, Mechanical, and Mining and Metallurgical Engineers, a total of about 12,000 members as of 1928, has been compelled to confine its major efforts to the man approaching destitution.

It has enrolled a total of 4,525 engineers, of whom 2,589 were not members of these societies though many were members of smaller organizations. These men are classified in accordance with their degree of destitution and this classification is changed monthly. Of the total enrolled, over 1,600 have not now sufficient funds to carry them for four months, and more than 700 have funds for less than two months. The emphasis of the committee's work has necessarily been on relief for this latter group. The type of registrant can best be illustrated by the following age and salary classifications:

Age	*Number of Registrants*
20 - 30 years	1,584
31 - 40 "	1,644
41 - 50 "	916
Over 50 years	381
Former Salary	
Over $6,000 per year	226
$3,600 - $6,000	1,041
$2,400 - $3,600	236
Less than $2,400	1,222

As to training, 388 have had no collegiate education, 793 attended foreign colleges, and the remainder attended American colleges, all but 800 having completed the course. In two years 1,955 placements have been made, many temporary, making it necessary to place a man several times. Only 368 placements have been in engineering positions, the others have been in made work and non-technical jobs. These jobs, how-

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ever, represent a relief in salaries earned of nearly $900,000. More than $160,000 has been contributed by the local members of the engineering societies. This money has been applied to immediate relief in the form of loans, of food, clothing, and shelter, and of made work. The committee, cooperating with the municipal authorities and the Red Cross, has succeeded in placing many men in public made work and has acted as an agent of the Red Cross in food distribution. The social-service division of the committee has collected and distributed clothing and provided food, shelter, hospitalization, medical and legal service, and so on to an extent represented by a value of more than $50,000. A committee of the Engineering Women's Club has contributed money and food in generous proportions, but most of all has provided that friendly touch that is so badly needed in cases of real destitution. Every unemployed engineer in the metropolitan district who has been heard of by this committee has received some help if his situation deserved attention. This is a magnificent accomplishment, but the majority of those who still have funds have not been reached and are threatened with a loss of morale because of inactivity. We have attempted to relieve this situation in part at least by the establishment of a rather thorough course of graduate instruction through lectures at the engineering-society headquarters and by securing free admission to the universities of the district in courses for which the unemployed engineer has had the necessary preliminary education. But this is not enough. The engineer has created substantially all our industries; why should he not now devote his attention to the creation of new industries which will absorb not only those now unemployed but the rapidly increasing number of wage-earners?

The word engineering has been used so loosely that it may be well to recall Tredgold's classic definition of 1827, when he called engineering "the art of directing the great sources of power in nature for the use and convenience of man." The misuse of the term is in fact a compliment to the profession, for it is never used without the implication of usefulness. The engineer is recognized by accomplishment, not by formal education. The easiest path is through college and apprenticeship, for only the exceptional man can now attain recognition through home study and experience. His recognition consists in engineering employment, professional society membership, or professional license. Such recognition requires a broad yet specialized education, which in turn necessitates a high degree of intelligence and an analytical mind. It is true that many have been called engineers who do not possess these qualifications, but these are men who have been trained rather than educated. They have become skilful in one field from which they cannot depart. They are a type which fortunately is being replaced by the broadly educated type.

A more homely definition of long standing is, "An engineer is a man who for one dollar can do what anyone can do for two." Hence the engineer is vitally concerned with money. He is often called an expense but it is more accurate to call him a watchdog of the treasury. He can never be proud of his work if it is a financial failure, nor can he point with pride to his latest achievement if there was a cheaper way to accomplish the result. He has been forced to add much of the social sciences and accounting to his studies, and it is his profession which initiated and is leading the development of the science of industrial management. Just as the machine has been misused, so this budding science has been seized upon as an implement for quick profits rather than as a basis for sound planning for an equitable division between employer and employee. As early as 1923 the American Management Association was wrestling with the problem of technological unemployment, but its warnings were lost in the noise of unlimited speculation.

If we accept Tredgold's definition we must admit that we have had the engineer with us since history began, though for only a little more than a century has his profession been recognized. His has been the inquiring mind with the patience for experimentation. It was he who investigated fire and learned to kindle it; he studied the rolling log and invented the wheel; he studied metallurgy and created the Iron Age; he brought potable water to the villages and made them cities; and to the engineer we are indebted for the age of mechanical power and the industrial era. James Watt's first rotative steam engine, in the Albion Flour Mills, was destroyed by an incendiary fire because the engine threatened labor's jobs, but the best of machine-made flour can be obtained now in any part of the globe, and Watt's steam pumps cleared the mines, making possible England's industrial recovery. As we look back over the depressions of this country's history we find, following each one, new industries springing up, creating new employment and industrial prosperity. Though the steamboat, the steam railway, the harvester, electric power, the automobile, and the much-maligned mass production have displaced old industries, they have created new and larger ones and have absorbed an ever-increasing supply of wage-earners.

Frequently there has been a period of technological unemployment because economic conditions would not permit starting a new industry, but always there has been an industry waiting to be born. The steam turbine was invented in the second century B.C. and again appeared in the seventeenth century A.D., but labor was so cheap it did not pay to develop it and it remained an interesting toy. Had Watt lived a century earlier he would have had little incentive to develop the steam engine. Fuel was cheap and fuel economy was not important and the existing mine pumps were reasonably successful, but when England's fuel supply was threatened, Watt's economical pumping engine had a waiting market and the industrial era began. The electric-light plant became the power plant and the industry soon surpassed the early dreams of Edison; the automobile became more than the horseless carriage; and the radio created an amusement industry as well as a means of communication. Behind all these industries were men quietly working to "direct the great sources of power in nature for the use and convenience of man." They may not have been known as engineers but they complied with Tredgold's definition. Does it tax our faith too much to believe that this type of mind which has existed from the beginning of history has not died out but rather is waiting with new industries when capital is ready for investment? If my lips were not sealed I could name a few, but it is no secret that the principle of the common radio tube bids fair to revolutionize the transmission of electric power and that this electronic tube is daily finding new uses. Nor is it a secret that fully 50 per cent of our factories have equipment which is already out of date.

Although the several relief committees throughout the country have succeeded in supplying some relief to every

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case that has been discovered and have helped many to permanent positions, the mass of necessary detail has given little time to the volunteer workers for constructive thinking, and the engineer with financial resources has received little help. Yet his problem is as serious as the destitute case. Only the exceptional man can maintain his morale during long periods of enforced idleness. He is needed by society and we must maintain his morale. Few of this generation of engineers had to look long for a satisfactory job. My recent contact with the unemployed has convinced me that the engineer's experience in job-finding has lost him his self-sufficiency. He has made jobs for others but has had no experience in creating one for himself. No engineer wants a job unless he can return to his employer or client more than he is paid, or do a better job than an equally well-paid man. He has usually waited till the employer discovered the need of an engineer—now he must show the employer a need that has not yet been recognized.

The New York committee has organized a subcommittee completely removed from the details of immediate relief, giving the members freedom for constructive thinking. They are waiting for the engineer, but it is only he who can discover opportunities for engineering usefulness. There is not an oversupply of engineers. In every industry opportunities are waiting for the engineer but it is only he who can disclose them, and the average engineer is ignorant of the technique of selling his services. This is the committee's most serious problem; it is being met by the best placement advice. Gradually, as the engineering need is discovered, the qualified engineer is found and trained to sell his services. Progress is necessarily slow but we are confident the work is fundamental and expect to continue it after unemployment has ceased. It should be a major effort of our engineering societies and universities.

What, therefore, should be the future program of this profession? The engineer has demonstrated his ability to conceive and establish new industries, he has proved his skill both as a business man and as a constructive critic of industrial management, but he has waited for opportunities instead of creating them. In his interest in his immediate task he has forgotten the immediate future, with a resulting loss to the public as well as to himself. In his hands rests the future of the industrial age; his responsibility no longer rests with the machine but extends to its social impacts, and he must share the onus of its misuse. He must become more vocal, not for his own benefit, but to warn the public of approaching danger. Every new device must be studied to determine its effect on the public, and the dangers must be advertised even more clearly than the advantages. This is the responsibility equally of the professional societies and of the colleges. Education, both adult and collegiate, is not sufficient if only the sciences and humanities are included. Emphasis must be placed continuously on the opportunity for service rather than financial gain and on the fact that the safest basis for that service is the self-sufficiency of the engineer. He must be taught the science of job-finding—to study industry and his own personal qualifications and uncover that job which gives him the opportunity for service. Then, when the next depression comes, he will *make* a job, not *hunt* one.

[*This is the sixth of a series of articles dealing with the effect of the economic crisis on the professions. The seventh will appear soon.*]

In the Driftway

HUMAN civilization, so the theory runs, developed in the first place because human childhood is such a protracted affair. Security is essential for the rearing of children, and security, once it has advanced beyond the attainment of three square meals a day and a dry place to sleep, gives rise to more complicated and subtle pursuits. And the Drifter wonders how much of the world's wealth and energy has gone into keeping the human child not only secure but amused and occupied between the moment it is born and the day it gets a job or falls in love. The speculation was aroused by a visit the Drifter made to a fascinating display of "Children's Books of Yesterday," which was recently, and may still be, on view at the New York Public Library. According to the exhibit, the first children's books were designed to be instructive rather than amusing. The earliest specimen is a French abecedarium made in 1520, which employs the principle of those folding sets of views one sends home from world's fairs. With what a difference! Each picture illustrates a French verb with homely scenes printed in charming colors that four hundred years have not dimmed. The English and American abecedariums of the eighteenth century were sober affairs, almost invariably equipped with the shorter catechism or "moral precepts" and avowedly designed to uplift the youthful mind. It was not until much later apparently that English and American children were introduced to books that were merely amusing or beautiful to look at. The first edition of Blake's "Songs of Innocence" with his exquisite illustrations, of which a facsimile is on view, came late in the eighteenth century. A home-made picture book drawn, colored, and written by Lewis Carroll when he was nine years old presages the part he later took in what must be the Golden Age of children's books in English, with "Alice in Wonderland" and the "Nonsense Songs" of Edward Lear leading the list. The little girls for whom "Alice" was written are famous, but the Janet Symonds for whom The Owl and the Pussy Cat was composed at Cannes in 1864 was hardly less favored. At least in these two instances the story and the poem were the result of a direct cooperation and unobstructed understanding between the child and the author, and that no doubt is the principal reason for their great success. The child, who lives almost entirely in a physical and direct world, automatically rejects intellectual or complicated stimuli. And this is his protection against deliberately manufactured books.

* * * * *

THE formula for toys is as difficult as that for books. A child of two of the Drifter's acquaintance illustrates his point. The twentieth century has produced an overwhelming wealth of toys that for ingenuity and variety have surely never been equaled. The Drifter's small friend has been presented with a good share of those modern playthings designed, after careful research, to interest her particular and important age. She has rejected them almost unanimously, and when last the Drifter saw her she preferred, above all, the following "toys": a common stick; a black home-made doll which was really a stocking with stuff-

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ing in it but equipped with most engaging home-made features done in red thread; and an ordinary handkerchief, which she spreads and respreads with incredible absorption.

* * * * *

THE child mind remains a land of physical sensations which is for most adults forever lost. To explain a child's physically enormous but intellectually simple problems in terms he can understand remains one of the most baffling of tasks for the grown-up mind. It was the same two-year-old friend who recently asked the Drifter to pick a flower for her. That was simple and pleasant enough. But when, two minutes later, she said in a matter-of-fact tone, "Put it back," the Drifter experienced a helplessness he has never felt in the presence of the most overpowering adult. Putting a flower back would be only a little more difficult than making clear to a two-year-old child that it can't be done.

THE DRIFTER

Correspondence

The Reactionary *Nation*

TO THE EDITORS OF THE NATION:

The article Six Months of Hitlerism in your August 2 issue is so bad it is funny. You should consider that there are among your readers some with German connections, who know the truth; the truth being, of course, that Hitlerism has saved Germany and accomplished greater things for that country in six months than were ever before achieved during any equal period of its history.

"Harrison Brown is a British journalist," you explain in your "Contributors" column. That is not sufficient. You should have added that he is a Jew. That Jews write today about Germany in that vein is understandable and pardonable; nobody else could. By publishing such rot and sponsoring a League Against Fascism *The Nation* shows itself pitifully lacking in historical sense. You are hopeless reactionaries.

Portland, Ore., August 11 A. HOCHSCHEID

[Harrison Brown is not a Jew.—EDITORS THE NATION.]

A Publisher Explains

TO THE EDITORS OF THE NATION:

In *The Nation* of August 2 one of your subscribers protests against the publishers' practice of padding short books so that they look big. May I show why the practice is likely to persist?

Padding out a short manuscript to two or three hundred pages by means of large type and wide margins is indeed a fraud upon the incautious purchaser who wants to buy a lot of words for his money. But 99 per cent of the book-buying public (if there still be any) would rather buy a fat book than a lean one. Supposing "Henry Adams" had been made 150 pages long and sold for $1.50. The publisher would have received 90 cents per book at wholesale. The iniquitous padded $2.50 book brings the publisher $1.50 at wholesale. In order to recover his investment, he must sell three or four hundred more copies of the short than of the padded book. But in the case of a serious book by so famous an author as James Truslow Adams, the difference in retail price between $1.50 and $2.50 will not, publishers' experience seems to show, make any very radical difference in the total sale.

The $1.50 price is an odd, uncomfortable one, halfway between the dollar reprint and the standard two-dollar novel. And its very lowness suggests some sort of inferiority in a new book by a well-known author—that it is slight or ephemeral.

We may be crooks, but we know which side our ledgers are red on!

New York, August 16 J. B. MUSSEY

Mr. Fischer Replies

TO THE EDITORS OF THE NATION:

In your issue of July 26 there is a letter from Ella Winter about my review of her book. I'm sorry she is so venomous. She says I am wrong about Soltz's stand. I did not confuse Soltz with Professor Zalkind. That would be silly. Soltz is a liberal as far as justice is concerned but a Puritan in sex matters. I could quote him endlessly to prove this.

I did suggest that Ella write a book on sex, family, and the like, but I thought she would limit herself to facts and leave the philosophy alone.

Moscow, July 31 LOUIS FISCHER

A Seaman Speaks

TO THE EDITORS OF THE NATION:

As an able-bodied seaman and lifeboat man in the American merchant marine, who has been unemployed for the past fourteen months, I have just sent the following letter to the NRA in Washington:

> I cannot understand how ship-owners can contend that a shipping code would conflict with the laws already in effect when such laws as the Seamen's Act of 1915 and other enactments have been openly defied by fleet owners, disregarded by their shipmasters, and ignored by shipping commissioners under the Department of Commerce. The unknown seaman works twelve hours a day, both deck and steward's departments, and extra hours in and out of port without extra compensation. This holds good for the high seas and Great Lakes, especially on passenger ships. Such are the so-called laws my former employers so proudly speak of as likely to conflict with the new code, if we should by chance secure any benefits under the NRA.
>
> We are blacklisted by our employers, discharged forever after putting in our younger years in their service, for even mentioning the Seamen's Act to secure our rights and fair play. We are even hounded for demanding compensation for injury sustained by us on board ship in the line of duty, through negligence on their part, working with defective gear. I wish to quote you the case of Garlick *vs.* SS. Leviathan of the United States Shipping Board, April, 1928, Municipal Court, New York City. This seaman was defeated in his claim for back wages, a matter of $8.36, because he refused to work more than sixteen hours a day in the port of New York.
>
> This unemployment situation in our calling is not so much due to the depression as to the blacklist system and the reducing of crews on a large scale. We believe that hundreds of men can be reemployed if full crews are put on ships again the same as in the past without any great hardship to the fleet owners and without taking any ships out of the boneyard.
>
> Ship-owners have received their new deal under the Jones-White Act. I hope that we too will be given some consideration under the new Democratic Administration.

New York, August 29 HERMAN GARLICK

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British Greed in India

To the Editors of The Nation:

The Cotton Spinners' Federation of Japan has voted to buy no more raw cotton from British India. An effort has been made to show that the trouble is merely over the rate of exchange. But there is much more to it than that. This is the latest of a long series of misfortunes brought upon India by British rule.

"Foreign cloth" has long been a sore subject with the Indians. Before the British came, India made all the cloth for its own wearing, and sold large quantities abroad. Its textile industries were deliberately destroyed by the British government in order to keep them from competing with British textiles, and in order to make of India a great market for British cloth. How it was done is a matter of history. It is a shameful story, too long to be told here. A systematic effort has been made in India to substitute British-made for Indian-made goods, in all lines. This is one great cause of the extreme poverty of India's people. In England, everyone is exhorted to "Buy British." In India, to advise anyone to "Buy Indian" is punishable with six months in prison.

When Gandhi made it a patriotic fashion to wear homespun, and set the people to spinning the thread for it, he lifted millions of peasant families out of the depths of destitution and enabled them to get a little more food. But the government looked upon the movement with an unfriendly eye. More than a year ago the Viceroy forcibly abolished the spinning schools that had been started by patriotic Indians. Lately, in some parts of India, the police have been beating up anyone whom they found wearing homespun.

As the Indians cannot yet make all the cloth they need, they have been buying cloth largely from Japan. To stop this, India's British government has raised the duty on Japanese textiles six times since 1930. The alleged reason was the depreciation of the yen and the need to prevent dumping, but the Government of India has now announced an increase of 50 to 75 per cent in the import duty on all non-British cotton cloth. This is practically prohibitive. It marks a persistent effort to force the Indians to buy cloth from England against their will. England sells two-thirds of her own textile products outside the empire.

V. J. Patel, former Lord Mayor of Bombay, during his recent visit to the United States pointed out that the Indian "delegates" to the Ottawa trade conference were not elected by any commercial body, but were appointed by the British Viceroy. He found half a dozen Indians who were willing to "sell their country for a mess of pottage" and who agreed that India should give a 10 or 12 per cent preference to goods from Great Britain.

This was contrary both to the interests and to the feelings of the Indians in general. As a matter of business, it was in their interest to deal wherever they could get the best terms; and as a matter of sentiment, they would rather deal with any other country than with England.

They were boycotting British goods, and this peaceful boycott has been their strongest weapon in the effort to get home rule. Now the Government of India charges three times as high an import duty on Japanese as on British cloth, and in retaliation the Japanese Cotton Spinners' Federation votes to buy no more raw cotton from British India. Thus British greed has lost to the Indian peasants a profitable market for their raw cotton, and has afforded another object lesson—one of many—that India is governed primarily for Britain's benefit, not for its own.

Chilmark, Mass., August 1 Alice Stone Blackwell

Finance

Armour and Company Attempts a Coup

CHICAGO, which was the focal point for the financial philanderings of Samuel Insull, has recently been the locale of one of the most brazen attempts at large-scale corporate juggling, cloaked behind all the unctuous veils of business respectability, that has developed since the dawn of the New Deal for security holders. The owners of the Class A and Class B common stocks of Armour and Company, controlling one of the two largest meat-packing businesses in this country, have escaped by the narrowest of margins a proposed capital reorganization of their company which threatened to slash their equity in its capital and surplus to 10 per cent from 62 per cent, and to delete their voting interest for the election of directors to 10 per cent from 87 per cent. Under the terms of the plan, only by paying an assessment of $62,500,000 in new capital could the common stockholders have retrieved part of their past position in the company.

What saved the junior stockholders from this raid on their investment was merely the inability of the management, which was the aggressive sponsor of the plan, to obtain a sufficiently overwhelming number of proxies in the first momentum of its high-pressure campaign to put the plan over. When the management was compelled to postpone the vote on the plan, time was allowed to rally enough opposition to offer serious legal objections if the management forced the plan through.

However, the fact that the management came within a few thousand shares of the legal two-thirds' majority necessary to ratify the plan demonstrates once again the general helplessness of the scattered, unorganized investing public when its interests are opposed by vested management. Moreover, the tactics of the management afford a good object lesson in the established big-business procedure of pulling the wool over stockholders' eyes. The Armour plan was put forward as a means of simplifying the capital structure of the company, of reducing depreciation charges and hence inflating profits by writing off $80,000,000 in assets, and of eliminating approximately $110,000,000 in accumulated unpaid dividends on the preferred stock. Of these three points only the last provided any conceivable justification for the demand that the common stockholders surrender the greatest part of their interest in the company. Even in this instance the necessity of the plan as it stood was largely invalidated by a recovery in profits which, even at the current level, indicated that the accumulation on the preferred could have been paid off within two or three years.

The plan proposed to exchange new common stock for the present preferred, Class A, and Class B stocks. After the exchange the preferred stock, which now has a claim of $67,000,000 (including the dividend accumulation) against the capital and surplus, would have had an equity in $89,000,000 of the assets of the reorganized company. On the other hand, the Class A and Class B stocks would have had their present equity of $112,000,000 reduced to $10,350,000, unless the new capital of $62,500,000 were subscribed. The distribution of future profits would have followed a similarly inequitable basis. If net profits in any year amounted to $10,000,000, for example, the holders of the present preferred would have had an equity in $8,950,000 of these profits as opposed to the $4,000,000 to which they are entitled under the existing capital structure.

The severity of these terms would be appropriate to a forced reorganization in which threatened or actual insolvency

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required a radical readjustment of the capital structure. But in this instance there was not the slightest question of the solvency of Armour and Company. The management itself stated clearly that the company needs no new working capital, despite the huge assessment demanded by their plan as the price of continued large participation in the company's profits by the common stockholders. What, then, were the real motives behind this plan? The management solemnly declared in advertisements that the plan "affords to all classes of stockholders a real opportunity to improve the financial structure of their company and . . . to place themselves in a position directly to benefit from such improvement." But the patent inequity of the plan suggested either that the Armour management was so inept financially that one must seriously doubt its ability to conduct a business which in past years has exceeded $900,000,000 gross volume annually or that it had a personal interest at stake in attempting to turn the company over to the preferred stockholders. The latter was the rallying point for the various committees opposing the plan, particularly in so far as it would vest 89 per cent voting control in the preferred, which now is entitled to only 13 per cent of the total votes.

The strenuous efforts of the management to secure stock proxies for the plan were not symptomatic of an impartial stewardship offering a plan for the considered vote of its stockholders. In addition to its control of the official proxy machinery and its use of the company's money for an advertising campaign in support of the plan, the management enlisted its officers, agents, and employees in its campaign to whip the stockholders into line. Furthermore, the market action of Armour preferred during the weeks preceding the management's first public admission that a reorganization was being planned gave all the familiar appearances of a gold mine for insiders. From the end of March until June 12, Armour preferred soared from 10 to 62 on a volume of 227,000 shares, or 40 per cent of the total issue.

In the face of all these danger signals to the common stockholders, at the meeting called to ratify the plan on August 22 the management was able to muster proxies for 62 per cent of the total stock, while only 6.6 per cent of the stock was voted in opposition. But by falling 5 per cent short of the required two-thirds' majority, the management was compelled to postpone a final vote until September 1. This interval gave just enough time for a new opposition group, backed by sufficient resources for effective advertising, to broadcast charges of excessive salaries paid to banking members of the Armour board and of wholesale manipulation of the company's stock by leading members of the management. The result was that the directors were compelled to withdraw the plan on August 30 by the prospect that large minority interests would demand their legal right of being bought off at the assessed value of their stock if the plan were put through. In the meantime, the market value of Armour preferred, which reached a peak of 93 after the reorganization plan was announced, has declined to 58, testifying to the market's real appraisal of this issue after it has been stripped of its excessive rights under the management's plan.

PETER HELMOOP NOYES

Next Week in *The Nation*

Professor William F. Ogburn

will discuss

The Consumer and the NRA

GERTRUDE STEIN'S

THE AUTOBIOGRAPHY OF ALICE B. TOKLAS

THE REVIEWS

"In the Autobiography she offers the odyssey of the most intelligent American woman alive at present. I could add many things, but only the book matters; there is so much life in it that it is the fullest and gayest book I have read for many years."

BERNARD FAY,
Saturday Review of Literature

●

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The Nation

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●

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Books and Films

The Horse of Poetry

By HORACE GREGORY

The muse, the muse? There are no muses, poet,
not what you mean, I know them well,
the girls,

broken in art museums, the Greek lady
with too large feet, her eyes in darkness, crazy
and beautiful, her lips a quarter smile
toward death in ruins.
There, the black stallion
leaping, the horse of poetry, black behind white,
the dance in quietness, museum twilight,
theirs, forever falling.
Or this steel cut, the picture
engraved in Florence. See, the girl is headless
and the arms are gone, but the stone breast unmoved,
down the creased navel and the delta,
dreams at midnight in sleep of Roman legions.

Or here, the icon, Mary,
the golden girl in blue and the messiah baby
new born and round his head, spring flowers,
the paternoster said in catacombs
under the streets of Paris.
These were the ladies
of good dead poets overseas, but we,
the delicate
barbarous steel in flesh, die when we echo
the voice not of these maples or the pine,
nor straight tall cities at sea's edge or over
inland oceans.

Turner, Marx, and the A.F. of L.

The American Federation of Labor. By Lewis L. Lorwin. The Brookings Institution. $2.75.

IN *The Nation* of July 26 Louis M. Hacker, one of our most stimulating historians, raised some fundamental issues in American social history and theory by his savage attack on Frederick Jackson Turner's interpretation of the role of the frontier in the making of America. The attack was from the Marxian position. To my mind Mr. Hacker failed, as a Marxian. After seemingly disposing of Turner for not having recognized the class struggle in our history, it still remains for him to show why our dominant labor movement failed to engage in it. The history of the American Federation of Labor, astutely if timidly recorded in Dr. Lorwin's study, certainly bears out the Turner thesis, just as Marx and Engels foreshadowed it some twenty years before Turner worked it out. The real value of Mr. Hacker's contribution, unique among those of our professional historians, lies in his mere effort to relate Turner's theory of the frontier, with all its implications, to the Marxian dialectic of society. This correlation will undoubtedly be stressed increasingly by our best social historians. But it will have to assume an *American* orientation if it is to explain our peculiar class relations. Mr. Hacker's wish, so characteristic of our recent Marxian converts, to fit America into an orthodox Marxism, to which Marx himself so insistently objected, leads not to social clarity but to social caricature.

Turner's theory has dominated American historiography ever since the stockyards began making Frankfurters of the frontier. The theory is a syllogism. Until 1890 or so, Turner posited, this country grew by waves of westward free-land settlements; that gave us our rugged individualism. Once the frontier was closed, runs the second premise, America found itself a veritable picture puzzle of hostile sections, where rugged individualism ran itself ragged trying to fit into a national economy. The conclusion of the doctrine, a peroration of no historical necessity, holds that the original spirit of the frontier will yet weld all sectional contradictions into the grand finale of an integral American Atlantis. Whereupon it is customary for the American Historical Association and kindred sociological Sanhedrins, which are really all One Big Turner Verein, to rise and sing the Star Spangled Banner.

But the significant thing about Turnerism is not its romantic curtain scene. Its significance lies in the fact that, so far, it is the only indigenous dialectic of American history trying to explain itself. The thesis is the frontier. The anti-thesis is sectionalism. The synthesis is the "promise of American life," the typical romantic vision of dialectical idealism. And just as the old Hegel and Fichte wound up as the romantic apologists of the Prussian wonder-state, so the old Turner and Beard wound up as the romantic apologists of the social gospel of "enlightened" big business. The same romantic apologetics moves our "scientific social work," our "liberal" college, our "modernist" church, our "social" historians—in fact, every progressive phase of our contemporary culture. They all forever rub the covered wagon with an elixir called the "American adventure" and then breathlessly watch it change into a Cadillac sixteen, in which the American nation will swiftly ride on a perfect evolutionary highway straight into Utopia. The basic philosophy of this social dream is pragmatism, which hides its romantic idealism behind a fake "instrumental logic," which is merely the philosophical defense of opportunism, merely the belief that the best social philosophy is to have none; a social philosophy which Gompers worked out to its most inept perfection. In short, from Walt Whitman through Turner and Gompers and Jane Addams to Beard and Dewey and James Truslow Adams, the characteristic American thinker was a sociological adventurer, a compromiser with Utopia, an interpreter of dreams. Or, in other words, he was and still is a social frontiersman.

It is this opportunism in American social criticism that Mr. Hacker wishes to attack. He wishes to turn the dialectical idealism of the Turnerites into a dialectical materialism which might explain more scientifically the correlation of our social forces. But unfortunately, in his orthodox Marxian fervor, he throws out not merely the "American dream" but also Turner's theory of the role of the frontier, which is sufficiently profound to *explain* the dream, and his theory of sectionalism, which can be verified by merely looking at the *Congressional Record.* According to Mr. Hacker, and our neo-Marxians in general, the frontier merely fulfilled "the historic function of extensive agriculture," a woefully inadequate conception to convey the tremendous psychological effect of the frontier upon our national mentality. And once the frontier was closed, he argues, not sectional divergences but a pure and simple class struggle determined our fate. With all the free land gone, "the United States once again was returning to the main stream of European institutional development." Only in the most cursory fashion he remembers that the frontier had something to do with the anti-revolutionary obsession of American labor.

The fact is that without Turner's key to the frontier the abnormality of the American class struggle remains a mystery. It is the theory of the frontier, of which the theory of section-

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alism is a conditioned consequence, which explains how deeply we furrowed into the free soil of our nineteenth century the libertarian doctrines of eighteenth-century individualism. The frontier fixed and arrested these sesquicentennial views of freedom in the American subconscious, which explains why today we have such a tragic time in thinking through the Socialist demands of a new revolutionary epoch, the demands of social planning in a world of social anarchy. After the geographical frontier was closed, we carried over its spirit of individualism and adventure into finance, industry, and labor. Our capitalism in the eighties and nineties was a buccaneer capitalism, and our labor leaders, during the formative years of the American Federation of Labor, were primitive tribal chieftains, each craft a tribe, who fought back with desperate guerrilla tactics. It was the frontier tradition in American industry which made our dominant labor movement despise pragmatically all "social philosophy," for any philosophy is "radical" in that it hamstrings rough and ready unionism. In time, of course, this contempt for social thoughtfulness turned the "class struggle" between our capital and labor into a trough struggle. More and more, labor fought for the social spoils—"hours, wages, and working conditions"—and less and less for a scheme of social justice. And where there is no vision, petty politics and graft soon follow. Hence today we can witness the ironic situation in which the government is trying to drive the A. F. of L. into organizing the basic industries, which the A. F. of L. is impotent to do.

Dr. Lorwin is a research Brahman in the Brookings Institution, which has a sort of High Church Episcopalian attitude toward the "objective" sanctity of social science. In this high-faluting view clear opinions are offensive in a gentleman and scholar, and all sorts of idiotic committees pass on the objective propriety of each study. Under such paralyzing auspices even so good a man as Dr. Lorwin could not produce the kind of volume to which his competence and wisdom entitle him. But even so, he managed to write the best overt history of the A. F. of L. we have. And covertly, between the lines, he develops and interprets the whole sad story. With subtle implication he brings out the abject failure, the social cretinism of the jurisdictional jealousy, or in other words of the permanent civil war, which has been disrupting our organized labor movement. He brings out the fundamental folly of "pure and simple" unionism in a highly complex order, of "non-partisan" political action, the growing ineptness and softening in the higher ranks of the oligarchy, and the growing gangsterism and corruption in its lower ranks. Of course, there are exceptions. But on the whole that is the price the A. F. of L. has had to pay for its "practical" business unionism. The author caps his history with some mild, ineffectual, and timorous counsels. He would have the federation tend, ever so cautiously, toward greater craft collaboration, toward a clearer political self-consciousness, toward a wider social attitude. Well, it no longer matters much. The NRA by its mere insertion of clause 7A has done more to enliven our prostrate labor movement than the A. F. of L. has done in twenty years.

But what is of main interest to the social historian in this study is the justification of the Turner theory of the influence of the frontier, in this case on our labor movement. In 1886, one might say, the A. F. of L. was formed as a vague alliance of autonomous Indian tribes. With tomahawks and arrows and piercing yells they attacked the outposts of the trusts. Occasionally the tribes of labor won. Occasionally a reformist government passed a few crumbs of legislation their way. But after the frontier spirit disappeared in industry, when the trusts became monopolies and the monopolies the mere pawns of finance capital, the labor unions were assigned to their respective craft reservations, from which they were not allowed to move. Injunctions, boycotts, the police, their own internecine jealousies, and social circumstances in general have kept them there to this day. Now the NRA is trying to turn the A. F. of L. into a semi-governmental agency. It has taken over the only protection our craft unionism had to offer to American labor—a little more money, a little less work, and a little better plumbing in the washrooms. The NRA is a true social revolution in the simple sense that it expresses the most significant thing in our national life—the realization that the social frontier is also over. And with this change the old A. F. of L. is through. What new forms our dominant labor movement will assume and undergo is unpredictable. But one thing is certain. The Marxian critic will have to be a great deal more sophisticated in his analysis of our social forces than he has been until now.

BENJAMIN STOLBERG

A Light Fall

The Snows of Helicon. By H. M. Tomlinson. Harper and Brothers. $2.50.

THE high literary polish of Mr. Tomlinson's style has heretofore been its own reward. It did not matter that "Gallion's Reach" and "All Our Yesterdays," professing to be novels, were not. Sufficient satisfaction was to be found in the rich comprehension of landscape which they contained, in the essence of men's moods which such landscape induced or appeased, and in the quiet intimation of civilized man's urgent temptation to seek a Golden Age elsewhere than in the home counties. It was enough for Mr. Tomlinson's admirers to rest among his charmed similes and in the cool density of his sentences, reminiscent as they were, now of the Bible, now of Sir Thomas Browne, and occasionally of Hardy. That the human figures encountered made only the shadows of men was unimportant, for the author's purpose was otherwise and his style was conviction enough of his right to his privilege. In "Snows of Helicon" what for so long—from the very beginning, in fact, from "The Sea and the Jungle"—was only implication becomes the bare statement of an artist's challenge to an industrially organized world.

Still, like its predecessors, the new book is closer to the reflective essay than the novel form. The slight plot of Travers's flight from his wife and the pursuit by his wife and friend, who finally become more concerned with themselves than with him, circumscribes but a minor part of the author's intention. The discontented architect, Travers, impelled to lay hold on beauty once in his life, must reach Colonna in time to prevent Lord Snarge from blowing up the ruins of a Greek temple in order to erect a wireless station in its place. But on his way Travers must detour to Parangua for no more obvious reason than to permit Mr. Tomlinson once more to recall a tropical shore line, and, for a better cause, he must take long enough on his journey to serve as the mouthpiece for Mr. Tomlinson's monologues on the poverty of a civilization which pays no apparent tribute to those human qualities which make man but a little lower than the angels.

It is not because such a technique is haphazard—indeed, the construction of "All Our Yesterdays" was equally desultory—that the book is the poorest of the author's work; it is because the issue here involved is more than a mood, less abstract than mere speculation or descriptive record, and calls for a firmer binding. Nor is it because the issue itself is one of perennial complaint—to believe only Shelley and Gauguin; it is that the complaint in its most interesting aspect produces deep and vivid dramatic effects of which Mr. Tomlinson catches only the febrile symptoms. To be convincing the malady must attack a man of fuller stature than the wavering outline called Travers; to know his surmises and conclusions is not enough

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if the reader is to understand that Travers's vision and forebodings constitute a portion of his own failure.

It is evident that Mr. Tomlinson was aware that the compensations of his earlier style were not to be depended upon. Except for a brief description here of a field of cabbages, there of the sea about Colonna, descriptions which give but hollow echoes of the pictures in "The Sea and the Jungle," the quality of this prose is brittle and staccato. The sentences are brief, direct, and beat with a didactic impulse. But the force is soon spent in what is the chief disappointment of the book. Travers's thoughts are not only adolescent but trite. For several years the waters have been rising about Philae, while at the same time the Western world has been paying a heavy toll to realize that integration, especially for the artist, must be compounded of elements inherent within his own era. There is no escape from the past, but the artist lives by observing, before the eye of ordinary mortal can, the revelation of the future. Mr. Tomlinson's symbol is inadequate. FLORENCE CODMAN

The Mellon Saga

Mellon's Millions: The Biography of a Fortune. By Harvey O'Connor. The John Day Company. $3.

FEW great American fortunes have had the petty, sordid origins of the Mellon millions. Thomas Mellon, the founder of the fortune and Andrew's father, was a farmer's son who became a lawyer and acquired wealth as a money lender. He used mercilessly the legal devices of the law, among them a form of contract by which a borrower, under legislation intended to protect debtors, waived all his rights, including the right to jury trial, immunities, and exemptions. By foreclosing and buying up property for a song during the hard times of 1873-79 he added rapidly to his gains. Though his interests expanded into real estate, industry, and banking, Thomas Mellon was never more than a money lender, miserly, astute, and hard; he had no pioneering part in the great economic changes of his age and took no chances with his money, merely levying tribute on the enterprise of others.

With the start old Thomas's money gave them, Andrew and his brother greatly increased the Mellon wealth. Unlike his father, Andrew adapted himself to the age of large-scale industry and its financial needs. The family's private bank was transformed into a trust company, a new device which yielded great profits in corporate financing and promotion. The Union Trust Company and the Mellon National Bank became, through their interlocking directorates, the focal point of the most important industrial and financial interests of Pennsylvania, as of its corrupt politics and its apparatus for suppressing labor. The Mellon interests expanded into all sorts of enterprises, imitating the system of financial centralization and control of the Morgans and the Stillmans and using the methods characteristic of the age. Andrew was an ally of Frick, that hater of the workers and lover of Renaissance splendor; among their exploits was the intimidation of United States Steel into buying a competing steel company at an extortionate price.

Few men have piled up a great fortune with so little originality and daring. Andrew Mellon was neither a Rockefeller, who organized and exploited a whole industry; nor a Carnegie, who developed a model of integrated industrial enterprise; nor a Morgan, who perfected the monopolist capitalist system of financial control of industry. Although he adapted himself to the new age, Andrew, like his father, was essentially a money lender—a sort of disembodied spirit of money, miserly, secretive, shadowy.

The Mellons became identified with aluminum by sheer chance, without realizing its great potentialities. In the Aluminum Company of America the Mellons dominate the one complete monopoly: it controls the sources and production of bauxite, the output of crude aluminum, and a large part of aluminum manufactures. The company, moreover, has the distinction—a point this book overlooks—of being in control of the only existing world trust: in 1931, after the breakdown of the aluminum cartel, the Mellons were instrumental in forming the Alliance Aluminium Company, with its chief offices in Basel, a trust which merged international interests and controls practically the entire world output and marketing of aluminum. The Aluminum Company of America is an extraordinary case study in monopoly; in consolidating its control it crushed competitors by control of patents (involving considerable unpleasant litigation), and when the patents expired, by control of all sources of raw material; it forced agreements upon independents and refused to supply recalcitrants with aluminum. Prices and profits were high. And in the Golden Age of American prosperity, 1923-29, the company was protected by the Department of Justice and sustained by the courts against charges of monopoly. The money lender had become Secretary of the Treasury, a bewildered, incompetent old man whom prosperity and ballyhoo shaped into the image of a titan, and who spent his time reducing the taxes of the rich, making "refunds" of billions to individual and corporate taxpayers, and encouraging speculation—a symbol of plutocracy triumphant, and senile.

O'Connor's "Mellon's Millions" represents a workman-like job of original research. It throws floods of light on the origins and ramifications of a fortune of which little has hitherto been definitely known. The book is not the wish-fulfilment of an awed journalist, like Winkler's "Morgan the Magnificent"; nor is it a persuasive but deceptive apology, like Hendrick's "Andrew Carnegie," or a superficial, wrong-headed "original" appraisal, like Flynn's "God's Gold." The facts mercilessly tell their story in "Mellon's Millions." One might wish that the facts had been more thoroughly mastered and integrated, more definitely related to the transformation of the American economy into monopolist capitalism and imperialism—a process with which the Mellon fortune is intimately identified. The mere piling up of facts becomes tedious at times; the book has neither the invective and passion of the muckraker nor the social-economic analysis and synthesis of the Marxist.

It is, moreover, a pity that O'Connor has exposed himself to attack by the loose use of figures. He writes, for example, that J. P. Morgan "coolly pocketed $62,500,000" for organizing United States Steel. As a matter of fact, J. P. Morgan and Company received $12,500,000 as managers of the underwriting syndicate, the other $50,000,000 being distributed among the syndicate's subscribing members, in which the Morgans, however, partly shared. This and similar inaccuracies are unimportant, but they tend to raise doubts. More important is the exaggerated estimate of the Mellon fortune. It is correct to say that the Mellons, by means of stock ownership, control or influence corporations with assets of over $10,000,000,000. It is incorrect to apply the stock-ownership percentages to assets and consider the resulting "share" of assets "owned" as wealth, by which method O'Connor estimates the Mellon fortune at over $2,000,000,000. Obviously the Mellon "share" of the assets is not an indication of Mellon wealth, if for no other reason than because a large part of corporate assets is offset by corresponding liabilities. Accepting O'Connor's percentages of stock ownership as correct (they may not mean ownership, as the phrase "per cent assets *controlled* by Mellon" is used), I have estimated that in 1931 Andrew Mellon, his brother, and his nephew may have owned over $630,000,000, par value, of common and preferred stocks in various corporations. That figure must be reduced for several reasons: the market valuation was much smaller; the percentages, even if they mean ownership of common stock, probably do not apply to preferred; and the per-

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centages may, in addition, be exaggerated. O'Connor's statement that the *market value* of the Rockefeller holdings in 1932 "could easily be matched" by the Mellons with the $743,000,000 *assets* of "just one of their corporations," Gulf Oil, proves merely an extraordinary misunderstanding of the meaning of figures. The Rockefellers are still, I suspect, richer than the Mellons. But the efforts to suppress "Mellon's Millions" are caused by its truth, which is basic, and not by its errors, which are incidental. O'Connor errs in his estimate of the Mellon fortune, but he is right, and this is the important thing, in his exposure of Mellon control and influence over corporations and the means by which the power was acquired. The truth, not the errors, makes the Mellons wince.

LEWIS COREY

Massachusetts Doesn't Want to Know

The Untried Case: The Sacco-Vanzetti Case and the Morelli Gang. By Herbert B. Ehrmann. The Vanguard Press. $2.

THOSE unfamiliar with the Sacco-Vanzetti case will find these pages packed with excitement, clues, deductions, suspense, and finally a spanking denouement. Those acquainted with the celebrated cause will find the blame for the South Braintree murders and pay-roll robbery thrown squarely upon five men whose names are given and whose records are documented. If these readers have believed Nicolo Sacco and Bartolomeo Vanzetti guilty, their faith in Massachusetts will be shaken; if they have believed the two men innocent, dubious points surrounding the automobiles used in the crime, the bullets and shells found at the scene, and the confession of Celestino F. Madeiros will be clarified. The book thus becomes an important, if not a vital, addition to the library which has grown out of the trial.

Mr. Ehrmann was counsel, with William G. Thompson, for Sacco and Vanzetti, not during their trial but after their conviction. Mr. Thompson assigned him to investigate that slip of paper smuggled from the cell of Madeiros to Sacco's cell in the Dedham jail: "I hearby confess to being in the South Braintree shoe company crime and Sacco and Vanzetti was not in said crime." Madeiros was not, as was commonly reported, in the shadow of the electric chair at that time; he was awaiting a second trial of his case, based on a bank robbery and murder subsequent to the South Braintree crime. He was tried again afterward, convicted again, and executed.

If Mr. Ehrmann were not a successful young Boston attorney, he might become a successful writer of detective fiction. Yet his narrative gift and his skill in organizing his material do not prevent him from supporting his statements convincingly step by step. We follow him to the Bluebird Inn, a disreputable roadhouse where Madeiros had once served as bouncer; to the court records in Providence, where he learned that "Joe" Morelli had been sent to prison for robbing freight trains bearing shoes from the very factory whose pay roll was stolen, and that the robbery and murders occurred while Morelli was awaiting trial and desperately in need of ready money; we follow him to his talks with Morelli and "Tony" Mancini, and to the discovery that Mancini used an automatic pistol of foreign make—a Steyr or Steyer, sometimes called a "Star"—in a murder (after the South Braintree crime) on the steps of Police Headquarters in New York City.

Joseph Morelli, two brothers, Madeiros, and Mancini were the occupants of the death car at South Braintree, according to Mr. Ehrmann's findings. Joe Morelli's "outstanding quality was executive ability in the criminal field," he says; and my own extended acquaintance with Morelli has convinced me that if he had been born in a Red Cross neighborhood instead of the slums of New York's lower East Side, he would have been a captain of industry, not a gang leader; he knows how to get along with men, how to manage them, how to plan their work, and he has that flexible type of conscience which would have stood him in good stead in big business. In the bank robbery for which Madeiros was convicted he aped the methods Morelli is accused here of employing at South Braintree, even to using two automobiles, one for the approach and getaway, the other for the actual job.

Fact upon fact, document upon document, date upon date, Mr. Ehrmann builds an imposing structure. Joe Morelli has denied the South Braintree crime under oath; the denial is duly set down, and the circumstances in which it was hatched. The obstructions, subterfuges, and passions of Massachusetts officials and officers are recorded calmly, without denunciation, and in some cases are attested by affidavits.

Joe Morelli need lose no sleep on account of this book. Neither need Tony Mancini, a "daring and ruthless killer," who was serving a sentence in Auburn Penitentiary for the New York murder when Mr. Ehrmann saw him, and wrote a remarkable pen picture of him. Neither of these two need worry, for there is no probability that Massachusetts will molest them. But citizens who value the reputation of their State for integrity and justice must worry a lot, for this volume is a damaging document to Massachusetts.

SILAS BENT

Docility and the Depression

The Plebeian's Progress. By Frank Tilsley. Covici-Friede. $2.25.

MOST of the novels of the depression—and fewer have been published than might have been expected, fewer also, one suspects, than have been written—have contented themselves with presenting the docile progress of the unemployed to their doom. Such novels as Catherine Brody's "Nobody Starves" and Hans Fallada's "Little Man, What Now?" have not only proposed no alternative to this docility, for which they have been duly praised by critics with a horror of propaganda; they have shown very little consciousness that an alternative existed. Yet Miss Brody, Herr Fallada, and Mr. Tilsley as well are obviously distressed about the depression and wish that the unemployed did not have to suffer so. What they apparently assume is that if their readers, persons of the better class of course, could be made to realize what is going on, they would do something about it. But pity, in Miss Herbst's phrase, is not enough, and the effort to arouse pity is likely to lead to sentimentality.

"The Plebeian's Progress" is less sentimental than either "Nobody Starves" or "Little Man, What Now?" The hero, Allan Barclay, is a little like Fallada's Johannes Pinneberg in that he is at best a rather ineffectual member of the lower middle class. But his story seems more representative than Pinneberg's. We see him as a not very happy boy, doing badly at school, losing a brother in the war, compensating in his dreams for his failure to master life. After he marries, gets a good job, and starts to buy a home, he is superficially a typical petty bourgeois, but something of his old dissatisfaction remains, expressing itself in an articulate but quite passive variety of utopian socialism. After he loses his job, he writes innumerable letters of application, makes several unhappy ventures in salesmanship, has a great deal of trouble about the dole, and casually participates in an unemployment demonstration. One finds it easy to accept both his character and his story and to believe

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that they throw some light on the present state of England. Only the ending seems forced: Mr. Tilsley cleverly manipulates the details of the murder and execution, but his skill cannot conceal the artificiality of the device with which he has chosen to finish off the story of Allan and Anne. In this and in other minor points Mr. Tilsley is less adroit than Herr Fallada, but the book makes us more sharply aware of the devastating effects of the depression because it brings them closer to our experience.

"The Plebeian's Progress," however, raises the same question as "Nobody Starves" and "Little Man, What Now?" There are certainly millions of unemployed, both factory workers and white-collar workers, who hope for the best and starve quietly. But there are also millions of unemployed who refuse to die without a struggle and who don't intend to die at all if they can help it. Many of these have learned the strength of organization and have come to look beyond the immediate ends for which they struggle. The story of the docile unemployed deserves to be told, but so does the story of the fighting unemployed. And to anyone who believes in the final triumph of the workers the latter story seems much the more important, and the former story, when told by itself as it is in these three books, appears to be rather less than half the truth. But such writers as Miss Brody and Herr Fallada have a different scale of values: they cannot conceive of the workers' helping themselves, and they therefore appeal, though indirectly, to the relatively prosperous members of society to help them. Mr. Tilsley seems slightly critical of this position, and he avoids some of its faults. Even utopian socialism such as the hero's helps the reader to recognize the stupidity and brutality of the system behind the depression. "The Plebeian's Progress" may not rouse its readers to action, but it ought to set them to thinking, which is better than merely moving them to tears.

GRANVILLE HICKS

Democracy Slips Downward

The People's Choice. By Herbert Agar. Houghton Mifflin Company. $3.50.

HERE'S a curious dish. Mixed together in a single volume are biographies of the Presidents, a running history of the United States, and a thesis. At least it can be said of the compound that it is modern. Mr. Agar knows the current historical fashions and he has read the latest syntheses and the most recent psychographs. But his account of the various Presidents, often perfunctory in the case of the inferior ones, carries no inspiring message as did such narratives a generation ago. His history of the nation, out of the Beards, Morison, and Adams, to mention no others, is up to date enough, but it follows its sources too closely to have any originality.

The thesis, however, has elements of novelty. "Why is it," asks Mr. Agar, "that whereas six out of the first seven [Presidents] were men of great ability, only four out of the remaining twenty-two are above the common average of politicians?" In seeking an answer to this problem, the author divides American history into three epochs. The first, labeled "oligarchy," extended from the inauguration of Washington to the defeat of John Quincy Adams in 1828. The next era was one of democracy, particularly in the West and South, where different sorts of democracy prevailed. This age terminated with Lincoln and Davis. The third era was one of plutocracy, in which the "worst form" of democracy had triumphed—"the democracy of massed city populations, ignorant foreign laborers, graft, and 'machine politics.'" In this epoch big business ruled although the forms were those of popular government.

Apparently Mr. Agar sometimes feels the squeamishness of the historian about expressing an opinion. But the reader will have no difficulty in discovering that he does not like the outcome of American development. Democracy irks him; for him Jackson introduced the deluge—and the spoils system. What he really admires is the government and the governing class from Washington to Adams. Then agricultural economics were generally in the saddle, and then the nation was governed by Virginia gentlemen and such New England rarities as the Adamses. A nostalgia for the old South with its "Greek democracy" and fixed social order also haunts Mr. Agar. In short, he hankers for a return to the days when the educated and the privileged led the nation.

A matter-of-fact critique of this notion could attack the author's estimate of the early leaders in the Republic. Even James M. Beck, the palladium of Pennsylvania, who sees eye to eye with Mr. Agar on the evils of direct democracy, could write in 1924 that "a Cleveland, Harding, or Coolidge has the same courage, sincerity, and common sense as the strong men of earlier generations." The inclusion of the last two worthies would certainly not meet with Mr. Agar's favor. But it is not necessary to wage an academic war over personal judgments. For Mr. Agar's solution for the difficulties of the present reflects the inadequacy of his analysis.

Something must be done, he asserts, to meet the evils of democracy and unfettered capitalism. We need to plan a new social order and a new government "suitable to a super-industrialized, urbanized society, and capable of administering a modern capitalist state in the common good, and in accord with the Christian moral code." Obviously this can be done only by dictatorship, although it will probably take a revolution to wrest the franchise from those who possess it. A dictatorship by the Communists would mean "the end of the American effort." Mr. Agar obviously inclines to a dictatorship by conservatives, but when he scans the American horizon for acceptable ones, he seems to find only plutocrats. So he flees backward for over a century to a time "when America was young and had a soul" and knew that she must be "disciplined." It is not necessary to be a feverish left-winger to detect in such a prescription a hint of fascist rhetoric divorced from economic realities. Without quibbling over the merits of the first Presidents, it may be pointed out that the aristocracy they formed and the government they administered were facets of the economic life and classes of that era. No emphasis upon "good men in politics," "Christian ethics," and "a new social order" can conceal the futility of drawing a lesson from the agricultural era of 1800 for the urban, industrial civilization of today.

EDWARD C. KIRKLAND

Gorki's Challenge

On Guard for the Soviet Union. By Maxim Gorki. With an Introduction by Roman Rolland. International Publishers. $1.50.

"I HAVE come into this world—to disagree." This line from an early poem by Gorki might serve as his life slogan. The larger part of his sixty-five years he has spent in active nonconformity, in exposing and fighting things as they are. It is only in recent years that he has learned to conform, in a quite orthodox manner, with an order of things which seems to approach his positive ideal. Since 1928 he speaks the language of official Moscow.

He speaks with "passion," as Romain Rolland observes, and most often "in a caustic, violent, ruthless style" which does not quite please the palate of the urbane Tolstoyan. But that *is* Gorski's style, especially when he is outside his province, belles-lettres. As a publicist he makes one often regret his vehemence and crudity, makes one wish for the calm and good

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humor that go with conviction and certitude. He is in his element when he disagrees, and he cannot disagree serenely. This is why the bulk of his collected articles presents a devastating attack against the enemies of the Soviet Union, and comparatively few passages espouse the "positive ideal."

This collection of papers is primarily a challenge to the intellectuals of the Western world. Will they continue to serve the "doomed" class, to be "comforters of the bourgeoisie," like Emil Ludwig, Paul Valéry, Hendrik van Loon, Oswald Spengler, *et al.*, or will they, in the words of Rolland, "cross the barricade and shake Gorki's fraternal hand"? There is no third road. Gorki flagellates the "third warrior," the "toiling individualist," the compromiser who advocates a position somewhere midway between capitalism and communism. In a letter to "citizens D. Smith and T. Morrison," two Americans who have exhorted Gorki in the name of love and culture and Christianity, he takes pains to prove that their "American idealism" "can grow only on the soil of profound ignorance." By the same token he objects to the soft-heartedness of Heinrich Mann and Albert Einstein, who readily lend their signatures to protests against acts of official violence in Soviet Russia, such as the execution of food wreckers.

Himself once a pacifist, Gorki now avows his readiness to fight as a common soldier in defense of the cause of the Soviet Union. In the early period of the revolution he bitterly criticized the Bolshevik methods of violence, but he has come to regard the coercive policies of the proletarian dictatorship as "indispensable for the reeducation of tens of millions of people who were formerly the slaves of nature and of the bourgeois state and for making them the sole masters of their country and of its vast resources." This "compulsion" is as justifiable as the compulsion of children to read and write. Force must be used for the development of "the consciousness of man." All his life Gorki has championed culture for his uncultured countrymen, and in the light of present experience he has coined for it a militant formula: "Culture is violence organized by reason and exerted on the animal instincts of man."

It is a pleasure to note that in his advice to writers Gorki does not allow his militancy and devotion to the cause to narrow his literary criterion. He has little use for the literary Torquemadas of Moscow, or for their New York errand boys.

ALEXANDER KAUN

Shorter Notices

The Gold Falcon, or the Haggard of Love. Anonymous. Harrison Smith and Robert Haas. $2.50.

This is the story, by an English writer who chooses to remain anonymous, of another English writer who came to the United States, after having distinguished himself as an aviator during the World War, in search of excitement, wealth, and love. America being what it is—to visiting English writers—he of course found all three. Beautiful but often inebriated young ladies fell in love with our hero and he gallantly reciprocated, although not without a thought now and then for his wife and son in Cornwall, whom he could not bear to live with but loved passionately *in absentia*. At the end, like a modern Don Quixote, Manfred, our haggard, in order to make a quick trip home, mounts a decrepit Rosinante in the form of an airplane belonging to the son of his American publisher. The plane is minus the necessary gadgets to make it stay up in the air, much less cross the Atlantic. So the English wife in Cornwall, safely through her travail of childbirth, is a widow, and Manfred, having been thoroughly drowned, appears to her once more as a falcon with a head of gold. In the midst of all this chitter-chatter, the anonymous author has written many pages that are poignant and powerful. And the transatlantic flight, accepted as a gesture of reckless daring, is described with considerable dramatic force. The novel has been hailed in England as another work of genius which shows for still another time how the generation which fought the war was devastated by it. In America it is more likely to be received as the work of a competent and experienced writer in an off moment, whose acquaintance with New York was not sufficient to save him from many egregious errors of fact and of taste.

A Bibliography of the Works of Robinson Jeffers. By S. S. Alberts. Random House. $10.

This beautifully made book is not merely a necessity for collectors; it is a compliment to Mr. Jeffers and a record of his fame. Few poets have come during their lives into such esteem as Mr. Jeffers has known throughout the past eight years of his career, and it is doubtful if any poet has ever seen such a book as this one published about himself. It appears to be an exhaustive account of every word published by Mr. Jeffers in any form or in any place, and a scarcely less exhaustive account of the words written about him, in books, in pamphlets, in periodicals, and in letters not only to the poet but to the bibliographer—sometimes to neither, as if Mr. Alberts could divine what letters in the world's mail touched on his chosen subject, and possessed the power to intercept them for his purpose. The extent to which the volume is up to date may be judged by the fact that there is a complete account of "Give Your Heart to the Hawks," Mr. Jeffers's latest book, which was to have been published last spring but whose appearance has been postponed. Mr. Alberts gives the reasons for the postponement and prints the correspondence between Mr. Jeffers and his publishers upon the whole matter. This letter, incidentally, like every other letter, review, or article by Mr. Jeffers reprinted in the volume, is an excellent piece of prose; for Mr. Jeffers is one of the best contemporary writers of American prose.

Gladstone. By Francis Birrell. Great Lives Series. The Macmillan Company. 75 cents.

In formal terms, Gladstone boxed the political compass. But in doing so, in making the complete turn from Tory to "radical," he illustrated the basic opportunism of political parties. Disraeli, the "conservative," enacted a reform bill far more "radical" than the proposed bill which Gladstone, the "liberal," failed to carry; and Gladstone's budgets were models of conservatism. Gladstone's career is that of an able politician, somewhat more principled than most, but little more effective than most in bringing about important social changes by political maneuvering. Mr. Birrell's biography inclines to partisanship toward Gladstone as against Disraeli; and it counts too much on an intimate acquaintance with English history to be easy reading for most Americans.

Wesley. By James Laver. Appleton Biographies. D. Appleton and Company. $1.50.

John Wesley. By Bonamy Dobrée. Great Lives Series. The Macmillan Company. 75 cents.

Of the two books Bonamy Dobrée's is the wittier and more subtly allusive; James Laver's the more complete and more fluent in narrative. Each provides good reading; and for the reader with a special interest in John Wesley there is sufficient difference in emphasis and method to make both worth having. Neither volume, however, dwells upon the dependent and almost reverent attachment to his mother which was the source of Wesley's emotional life; nor upon the changing economic situation, the beginning of the Industrial Revolution in England, which made possible the emotional release in pietism which Wesley worked on so capably.

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Films

Concerning "Narratage"

INTERESTING for a number of different reasons, "The Power and the Glory" (Gaiety) will be found chiefly interesting for its attempt to introduce a new narrative technique to the screen. The story opens with what is really its conclusion—the funeral services of the hero, a great railroad executive, who has killed himself and whose memory is reviled by all but one of the people who have known him. This one is his former secretary, a boyhood friend to whom he has always been kind, and who as a result defends his reputation. By relating to his wife all the steps in the dead man's career, from the time he was a rail walker in the West to his days of "power and glory," he tries to show her that the opinion the world had of him was false and uncomprehending. The method used to retrace the past is not the old-fashioned flash-back, which once established always continued for a time without shifting back to the present, but rather a rapid and skilful juxtaposition of recent events in the hero's life with the remoter events that explain them. Most of the scenes, of course, are projected directly with dialogue and action, but certain of them, distinguished by a semi fade-out in the lighting, represent what are supposed to be re-creations of the narrator's own memory or imagination. The narrator supplies the transitions, marks the contrasts, and interprets what is happening. A mixture of dramatic action and recited narrative, the result has much in common with the earliest Greek plays, in which the leader of the chorus had much the same function as the narrator in the film. But "narratage," as the Fox Company has dubbed the method, has a closer parallel in a variety of novel technique, perfected long ago by Henry James and illustrated in its more popular mutations in the fiction of Joseph Conrad. It is not possible to review all the advantages that the so-called "oblique point of view" had for these novelists—that of supplying an interpretation of events not by the author was only one of them; but the purpose behind it was clearly to show that reality is a much more complex thing than novels and plays usually make it out to be. What made Conrad have his Marlow tell Lord Jim's story in such a tortuous and apparently capricious manner was the desire to communicate Jim's "inscrutable" mystery to us exactly in the order in which it was revealed to one man—therefore, not in any systematic order, but in unexpected flashes that were like "rifts in a fog." The same impulse is behind the technique of "The Power and the Glory," and the result is that Spencer Tracy's railroad president is one of the fullest characterizations ever achieved on the screen. At the same time, few pictures have offered so much interest in their sheer construction, which is another and different result of the method. "Narratage," therefore, opens possibilities to the screen of combining the methods of both the drama and prose fiction. Its only danger is the danger of any method—that of being misused; and it must be recalled that as used in fiction it seemed to lead to a certain indifference toward subject matter, in James to an increasing tenuity of substance, in Conrad to an ever cruder romanticism. Neither of these charges, however, can be made against the picture which introduces it to the screen: its subject is the great American Myth, and its theme is futility. Even five years ago such a parable of the self-made American business man being pressed on by a hard-driving, power-mad American female to misery and self-destruction would have been too much for the movie public to stomach. Now its elements have been so well absorbed that interest can be directed to what is made of them. In other words, "The Power and the Glory," if it is not satisfactory in all its details, answers to most of what we expect of a work of art.

It would be pleasant if one could say as much of "Turn Back the Clock" (Capitol), in which the novelty, such as it is, resides in the conception rather than in the technique. Dunsany's "If" and Balderston's "Berkeley Square" are the immediate dramatic sources of the idea behind the picture—the idea of a man's being suddenly given the opportunity to live a whole period of his life all over again. Unfortunately, the idea is here very lamely worked out, and only the animated tantrums of Lee Tracy in the principal role save the picture from being very dull indeed. "Dinner at Eight" (Astor), that creaking heir of the "Grand Hotel" tradition, comes to the screen in a form that is just about as good and as bad as the original stage version. Perhaps Billie Burke is better than the hostess in the play, perhaps John Barrymore makes fewer sacrifices for his role of the broken-down actor than did Conway Tearle, and perhaps Marie Dressler suggests an ex-washerwoman more successfully than an ex-siren. But these are very small points: the film is sure to divert and repel to the same degree as the play. "Bitter Sweet" (Rivoli) is a British production of the operetta of several seasons ago which was one of Noel Coward's less happy inspirations. The scent of old Victorian lavendar becomes almost too imperceptible in the scientifically air-cooled atmosphere of the cinema palace.

WILLIAM TROY

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FILM □ FILM

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